FBIS DAILY REPORT

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ALIANZA TO SELL GRAIN CARRIERS TO POLAND

PY311948 Buenos Aires TELAM in Spanish 1900 GMT 29 May 81

[Text] Buenos Aires, 29 May (TELAM)--Alianza Shipyards today announced the arrangement of the sale of eight grain-carrying ships worth approximately $200 million to Poland. The announcement emphasized the fact that this sale is the largest ever made by Argentine maritime industry.

This announcement was made during a press conference held at the headquarters of the shipbuilding enterprise. It was indicated that the negotiations had lasted 12 months and that the ships were purchased by the Polish company Polska Zegluga Morska. This company will receive them between the end of next year and 1984.

Special emphasis was given to the cooperation received for this deal from the Foreign Relations and Worship Ministry, the Trade and Maritime Interests Ministry, the Economy and Finance Ministry and the Central Bank, which had objectively and effectively handled this important export operation for the benefit of the nation and the prestige of the Argentine maritime industry.

The contract signed with Polska Zegluga Morska provides for the construction of two grain carriers with a gross displacement of 61,000 tons. It also provides for the construction of six others of 27,000 tons each. This means that the total exported tonnage will be 280,000 whose construction will require 3 million man/hours and will yield an income of approximately $200 million.

These ships will be built according to blueprints and data supplied by Hitachi Shipbuilding and Engineering of Japan, which provides for reinforced hulls required for sailing in frozen seas.

It was further indicated that the 61,000-ton ships will be 225 meters long, with a hold capacity of 75,000 cubic meters of grain, while the 27,000-ton ships will be 180 meters long and their holds will be able to carry 34,000 cubic meters of grain.

The executives of Alianza Shipyards stressed the fact that their enterprise had been selected on the basis of background and competition on an equal footing with other foreign firms, some of which were from countries which have greater experience in this field, and Alianza will have to fulfill strict requirements regarding technology, time of delivery and international prices.

HIGH-RANKING OFFICIAL PREDICTS ECONOMIC COLLAPSE

PY291550 Buenos Aires NOTICIAS ARGENTINAS in Spanish 2250 GMT 28 May 81

[Excerpt] Buenos Aires, 28 May (NA)--A news media report to the effect that a high-ranking official had predicted an economic collapse within 2 months today unleashed an uproar in political and financial circles of this city and gave rise to all kinds of rumors and speculation concerning the validity of this prediction.

In a single day the exchange rate of the U.S. dollar rose half of the amount estimated for the entire month as a result of heavy purchases of foreign currency, although the total amount of these purchases has not been established yet.

Official sources evidenced open concern and confusion in connection with the report and also because of the high position of its source. The economy ministry has issued a communique obviously designed to disclaim responsibility.

A high-ranking source in the Economy and Finance Ministry indicated that the report had been disseminated "by an official who is seeking further advancement and wants to remove obstacles from his path in order to show himself as a possible candidate for a ministerial position."

The source added that now the attention will be centered on the government's position toward "the attitude of the official." The source indicated that "Minister Lorenzo Sigaut's image has come out unscathed" by the report.

NOBEL PRIZE WINNER ESQUIVEL, FAMILY THREATENED

PY291931 Buenos Aires HERALD in English 20 May 81 p 1

[Text] Nobel Peace Prize winner Adolfo Perez Esquivel last night confirmed news agency reports that he has been receiving phone calls threatening him and his family with death unless they leave Argentina.

He said he was not worried by the threats until a few days ago when he decided to report it to the Beccar police because his wife and children were included in the death threats and the number of calls reached alarming proportions.

Perez Esquivel denied that his home telephone line had been cut off, but said he believed it was bugged. He explained that on May 25, he received a phone call from his wife, who was in Paris on her birthday. The family wished her a happy birthday over the phone. An hour later, one of his sons answered the phone and a man's voice wished Esquivel's wife a happy birthday and threatened the whole family with death.

Yesterday, the 1980 Nobel Peace Prize winner attended the weekly Mothers of Plaza de Mayo meeting with about 1200 followers outside government house.

FOURTEEN PEOPLE, FIVE OF THEM FROM THE PAZ Y JUSTICIA GROUP, WERE ARRESTED YESTERDAY AFTERNOON AT THE END OF THE "MOTHERS OF PLAZA DE MAYO" MEETING, ACCORDING TO A STATEMENT PUT OUT BY THE PAZ Y JUSTICA GROUP LATE LAST NIGHT. [Upper case passage published in boldface]

MINISTER MINIMIZES JUDICIARY-EXECUTIVE CLASH

PY300218 Buenos Aires NOTICIAS ARGENTINAS in Spanish 2133 GMT 29 May 81

[Excerpts] Mendoza, 29 May (NA)--Argentine Justice Minister Amadeo Frugoli asserted today that no supreme court resignations have been submitted and that "no plan for increasing the number of members of that high court" is under consideration in his ministry.

Frugoli made no comment on the court decision about a person under arrest and at the disposal of the executive branch, and he was hesitant regarding the death penalty, "because of its irreparable character."

The minister arrived in the province to attend the army day celebration to be held in the capital today, and he spoke to local journalists at "El Plumerillo" airport.

He said he "did not know about any supreme court member who has resigned or who wishes to resign," and that "no plan for increasing the number of members of that high court is under consideration" in his ministry.

He gave no opinion on the supreme court decision granting the writ of habeas corpus to let Benito Alberto Moya, who is under arrest and at the disposal of the executive power, leave the country. He just said that "I am not used to judging the sentences issued by the courts."

NAVAL UNIT REITERATES OPPOSITION TO GARCIA MEZA

PY291549 Paris AFP in Spanish 1521 GMT 29 May 81

[Excerpt] La Paz, 29 May (AFP)--According to a communique released here today, the Second Naval Command headquartered in Trinidad, capital of Beni Department in northeastern Bolivia, has reiterated its support for the Naval High Command, which has requested the dismissal of Gen Luis Garcia Meza as president of the nation.

The communique, signed by the commander of this naval unit, Cdr Fernando Torrez Alarcon, stated that the unit feels that it is its duty to notify the noble people of Beni Department and of Bolivia as a whole that its attitude has remained unchanged.

The communique emphasized: "We give our loyal and firm support to the Naval High Command, which has requested Gen Luis Garcia Meza's dismissal from the Presidency of the nation for the benefit of Bolivian dignity and unity."

PRESIDENT ACCEPTS NAVAL COMMANDER'S RESIGNATION

Navy Commander Resigns

PY291757 La Paz Radio Illimani Network in Spanish 1700 GMT 29 May 81

[Text] President Luis Garcia Meza has sent a note to Rear Adm Ramiro Terrazas Rodriguez stating that he has accepted the admiral's request to be relieved of the position of commander of the Bolivian Navy.

The letter states:

Rear Adm Ramiro Terrazas Rodrigues. This is an answer to your official letter dated 20 May 1981 requesting to be relieved of the position of commander of the Bolivian Navy. Taking into consideration your letter reflecting your patriotism and high sense of responsibility, I regretfully accept your request emphasizing your undeniable loyalty to the sacred interests of the country. I would like to express the sincere recognition of the Government of National Reconstruction of the armed forces and reiterate my greatest consideration.

[Signed] Gen Luis Garcia Meza, president of the republic

New Commander Takes Office

PY292135 Buenos Aires TELAM in Spanish 2105 GMT 29 May 81

[Text] La Paz, 29 May (TELAM)--Capt Oscar Pammo, the new commander of the Bolivian Navy, was designated and installed today, replacing rear Adm Ramiro Terrazas Rodriguez who, according to an official report revealed here today, tendered his resignation dated 27 May. In this manner, according to official military sources, Garcia Meza might have overcome the navy's proposal demanding his immediate dismissal.

ARMED FORCES PROMISE TO SUPPORT GOVERNMENT

PY300225 La Paz Radio Illimani Network in Spanish 0100 GMT 30 May 81

[Text of communique released by the junta of commanders, read by Gen Humberto Cayoja at Miraflores armed forces general headquarters on 29 May 1981--recorded]

[Text] The armed forces of the nation informs the public as follows:

1. According to statutes in force, the armed forces of the nation jointly establish a junta of commanders which is headed by the captain general of the armed forces, [the president] whose dispositions are obeyed.

2. Within the framework of the preceding paragraph, all decisions of a political nature shall be subject to consultations with and approval by high-ranking officers of the armed forces, while they maintain their support of and subordination to the government established by the armed institution itself.

3. The armed forces of the nation remain faithful to the principles of discipline and order which are typical of their structure. Any speculation to the contrary is groundless.

4. Under these circumstances, and in fulfillment of their specific task, the armed forces guarantee the normal development of activities in the nation. In case of need they will take energetic steps to overcome any attempt to create anarchy or start political adventures.

General headquarters in La Paz, 29 May 1981.
[Signed] Brig Gen Humberto Cayoja Riart, army commander; Maj Gen Natalio Morales Mosquera, air force commander; Capt Oscar Pammo Rodriguez, navy commander.

FAB CHIEF RETURNS FROM U.S.; SUPPORTS PRESIDENT

PY301900 La Paz Radio Illimani Network in Spanish 1700 GMT 30 May 81

[Excerpt] Gen Waldo Bernal Pereira, commander of the Bolivian Air Force, FAB, has reaffirmed support for the process of national reconstruction and President Luis Garcia Meza. General Bernal made this statement today after returning from the United States where he attended a meeting of air force commanders.

[Begin recording] The FAB has taken a position [words indistinct] maintained a position at all times. The FAB is united and respects and obeys the higher commands. There is support for the process and for the head of the process, Gen Luis Garcia Meza. [end recording]

The FAB commander arrived at 1040 and was met at the military airport by chiefs of the air force and the Taiwan ambassador. Asked about the events in the country and the changes made in the armed forces, Bernal said:

[Begin recording] The chief of staff of the air force, General Morales, in our absence, has taken charge of the air force with great ability and [words indistinct] the mature position of the air force has once again prevailed. We are also aware that tranquillity has returned to the armed forces and we hope this situation will be overcome once and for all. [end recording]

General Bernal Pereira also said he will report to the FAB about the results of his trip and that he will familiarize himself with the recent events that took place in the country.

ARMY COMMANDER REPORTEDLY CONTACTING UNITS

PY291823 Paris AFP in Spanish 1642 GMT 29 May 81

[Text] La Paz, 29 May (AFP)--It was reported here today that Gen Humberto Cayoja Riart, commander of the army, has consulted garrisons and divisions around the country and received reports from them.

Sources close to the new army commander indicated that in the next few days he will give the exact date of the military meeting which will define the political situation of the country, particularly matters related to the presidential succession.

Although an official date was not released, it has been learned that in the next few days General Cayoja will meet with the press after consultations with the 10 Bolivian military divisions have ended.

It has also been reported that Col Walter Antezana Palacios has been appointed the new commander of the 8th Army Division in Santa Cruz, replacing Cayoja.

The Interior Ministry has reported that the situation of the country is normal after the events that took place in Cochabamba.

OFFICIAL DENIES CLOSING OF COCHABAMBA RADIOS

PY292236 Paris AFP in Spanish 1434 GMT 29 May 81

[Text] La Paz, 29 May (AFP)--In remarks made here today, Interior Ministry Under Secretary Victor Zanier rejected the possibility of closing several radio stations which participated in the network of radios in the city of Cochabamba demanding the dismissal of President Luis Garcia Meza.

Zanier stated that the government never thought of closing these stations, denying previous reports that the Communications Ministry had decided to close the subversive radio stations.

Radio Cosmos, Nacional, San Rafael and Cochabamba of the city of Cochabamba were joined in a network last Monday broadcasting the proclamations of Col Emilio Lanza and the troops of the Special Forces Training Center (CITE), which demanded the resignations of the president of the republic and top commanders of the armed forces.

The under secretary explained that these radio stations had been forced to participate in the network by army officers who supported Colonel Lanza.

SCHOOL COMMANDER PRAISES MILITARY CHANGES

PY281423 La Paz Radio Illimani Network in Spanish 1130 GMT 28 May 81

[Excerpt] The changes ordered in the armed forces by the president of national reconstruction, Gen Luis Garcia Meza, are the result of a new way of thinking and put an end to old ideas, which will benefit not only the armed forces, but the country. This statement was made by Col Faustino Rico Toro, commander of the Army Military School. He emphasized that the measures adopted by the chief of state are extremely important.

[Begin recording] From the military point of view, these changes have a great meaning, particularly regarding problems (?affecting) the nation. This is the first time that the Bolivian Army finds the commanders of the armed forces (?united) in a new way of thinking, in a new process, with a new generation. I believe that by looking at the experience learned and at the social, economic and political problems, the necessary conditions for a thorough understanding of the needs of the Bolivian people have been created. [end recording]

Colonel Rico Toro also said that from the political point of view, the changes introduced in the armed forces prove that the chief of state has new ideas about how to create a better future for the country.

REBELLIOUS OFFICERS MAY REMAIN IN COUNTRY

PY301912 Paris AFP in Spanish 1518 GMT 30 May 81

[Excerpts] La Paz, 30 May (AFP)--It was officially announced here today that the 14 officers of the Special Forces Training Center (CITE) who rebelled against the Bolivian president, Gen Luis Garcia Meza, and currently have asylum at the apostolic nunciature, will be allowed to remain in the country if they agree to submit to an investigation.

The new army chief of staff, Gen Lucio Anez, has stressed the need to normalize the institutional life of the armed forces. In view of this the rebel officers will be asked to remain in the country enjoying maximum guarantees, but they will have to agree to submit to a military investigation.

SOCIALIST FALANGE DEMANDS RELEASE OF VALVERDE

PY301953 Paris AFP in Spanish 1521 GMT 30 May 81

[Text] La Paz, 30 May (AFP)--The Bolivian Socialist Falange (FSB) stated here today that having failed to fulfill their promise to send FSB leader Carlos Valverde Barbery into exile, the military must now release him. On 2 May Valverde Barbery seized the Tita gasfield, belonging to U.S. Occidental Petroleum and located in eastern Bolivia, seeking to force the resignation of President Luis Garcia Meza. The communique released by the FSB today stated that subsequent events have demonstrated that "our armed action (the seizure of the Tita gasfield) was fully justified since it has helped pave the way for truth." The communique concluded by stressing the irrationality of seeking military solutions to clearly political problems, such as those created by the FSB politician.

GOVERNMENT BLAMES NEOCOLONIALISM FOR INSTABILITY

PY301922 Buenos Aires LATIN in Spanish 1601 GMT 30 May 81

[Text] La Paz, 30 May (LATIN-REUTER)--The Bolivian Government announced today that Bolivia's problems are the result of the worldwide system of "exploitation and humiliation" to which the developing countries are subjected. This viewpoint was expressed in a communique issued today by the Bolivian Foreign Ministry in response to a recent article on Bolivia's political situation published in the Brazilian newspaper FOLHA DE SAO PAULO.

The Bolivian Foreign Ministry stated that "neocolonialism" is responsible for Bolivia's current instability and emphasized that the drug traffic "is being financed and supported by colonialist lust and by highly developed countries whose multimillionaire, multinational mafias subject developing nations to misery and humiliation and disseminate the international slander that this and other newspapers echo."

The communique further stressed that Bolivia's instability, which causes so much alarm in countries where attacks and murders of presidents are common, is part of the instability characteristic of the Third World, whose uncertain existence in dependency and poverty is the result of the disruptive actions of neocolonialism. The communique added that the article published in FOLHA DE SAO PAULO is part of that very imperialist and racist campaign which advocates that 2/3 of humanity is poor because of its incapacity due to either ethnic reasons or biological defects.

CONAL TO DRAW CONSTITUTIONAL DRAFT FOR SUBMITTAL

PY301936 Paris AFP in Spanish 0039 GMT 30 May 81

[Text] La Paz, 29 May (AFT)--The National Legislative Advisory Council (CONAL) will prepare a draft constitution and submit it to a constituent assembly or a popular referendum, according to information released here today.

CONAL president, Gen Juan Lechin Suarez, ret, also reported that he has been sending notes to various organizations asking them to provide opinions which could be used as a basis for the draft constitution. These notes have been sent to the Supreme Court of Justice, higher district courts, departmental development corporations, ministries, and offices of prefects and mayors. Opinions have also been requested from business enterprises, transport owners and peasant leaders.

It has been reported that the deadline for submitting these suggestions will be 15 June while the call for the constituent assembly or referendum would be made at the beginning of next year.

PRESIDENT MEETS WITH MITTERRAND'S SPECIAL ENVOY

PY300030 Sao Paulo O FOLHA DE SAO PAULO in Portuguese 28 May 81 p 7

[Text] Brasilia--In a special meeting yesterday at Planalto Palace, President Joao Baptista Figueiredo met with businessman Robert Mitterrand, chairman of the "Aerospatiale" enterprise and brother of new French President Francois Mitterrand. Stating that he had come to Brazil as an "envoy" of the French president, Robert Mitterrand, during an interview with journalists after his meeting with the president, praised the good relations between the two countries, pointed out Brazil's role regarding the Third World and, without avoiding any questions, referred to various subjects.

He said that "the French president believes that Brazil will be capable of exercising a leadership at the conference of chiefs of state who will discuss the North-South dialogue to be held in Mexico next October."

He added that "France is convinced that it will have a decisive role during the conference in Mexico" and asserted that he is sure "that Brazil's role will be similar." He pointed out that France recognizes "that Brazil is a leading country within the Southern Hemisphere. India is probably another important leading country; it has a larger population than Brazil, but Brazil is a more capable and powerful country."

Without pointing out that he is a special envoy of a socialist president, Robert Mitterrand said that "the fact that a socialist president was elected in France and that he formed his cabinet with persons of the same party has surprised many countries friendly to France, among them Brazil, who deserve an explanation."

Mitterrand's brother pointed out that "the change which took place in France only affects France's policy and not its technical, scientific, industrial and commerical relations with other countries.

After asserting that his government pursues democracy, Robert Mitterrand said that if Brazil and France help each other "they will be able to achieve a democratic ideal" and recalled that one of the first measures of the new French Government is to attend the conference on the North-South dialogue to be held in Mexico.

He said that despite being chairman of the "Aerospatiale" enterprise he did not discuss financial issues with President Figueiredo because he has come "an an envoy and not a businessman." Regarding a possible meeting with members of the opposition, he said that he had no intentions of doing so but pointed out "that any dialogue is possible."

According to Bernardo Pericas, spokesman of the Foreign Ministry, yesterday at 1230 the brother of the French president met with Foreign Minister Saraiva Guerreiro, to whom he conveyed the desire of the new French Government to maintain "the same level" of relations between the two countries. Moreover, Pericas stated that Robert Mitterrand's visit was unofficial because, although he carried a message from the Champs Elysee, he did not come as a representative appointed by the French Government.

POSTPONEMENT OF MINISTER'S MOSCOW VISIT CLARIFED

PY290329 Sao Paulo O ESTADO DE SAO PAULO in Portuguese 28 May 81 p 30

[By O ESTADO special correspondent]

[Text] Sao Luiz—The postponement to 30 June of the official visit Planning Minister Delfim Neto was to make to Moscow on 8 June stems from the interest the Soviet leaders expressed in a private meeting between Neto and Ivan Vasillyevich Arkhipov, deputy chairman of the USSR Council of Ministers.

Since during the period originally scheduled for Neto's visit--8, 9, 10 June--Arkhipov will be attending a plenary meeting of the CPSU Politburo, it was proposed that the visit be made on 15 June. Since Neto responded that he has a very important engagement in Brazil at that time, it was agreed to set the date for the meeting in Moscow on 29 June, with Neto leaving on Friday, 26 June.

Advisers of the planning minister have made it clear that the postponement of the visit does not indicate the existence of difficulties in concluding the agreements to be negotiated in Moscow. They noted that all of the issues involved, including those pending, are being normally discussed and that boht parties are most interested insuccessfully concluding the negotiations.

NUCLEBRAS WILLING TO EXPORT URANIUM CONCENTRATES

PY292115 Rio de Janeiro JORNAL DO BRASIL in Portuguese 28 May 81 p 19

[Excerpt] Brasilia--NUCLEBRAS [Brazilian Nuclear Corporation] will be able to begin systematicly exporting uranium concentrates if the government decides to do so. Brazilian proven reserves, at today's rate, are worth $15 billion.

NUCLEBRAS' readiness to export uranium, in the event the government decides in favor of this, takes into account the fact that the proven reserves of 236,000 tons excede that necessary for the current nuclear program. This amount of uranium is enough to feed 40 Angra II reactors for all their useful lives.

RIGHTIST GROUP DENIES INVLOVEMENT IN BOMB ATTACKS

PY290302 Sao Paulo FOLHA DE SAO PAULO in Portuguese 28 May 81 p 6

[Text] Brasilia--Yesterday several congressmen received copies of a document mailed in Sao Paulo in which the self-styled "Commando Delta" group denies having participated in the bomb attacks perpetrated at the Riocentro building this year and at the Brazilian Bar Association, the Brazilian Press Association and the National Superintendency of Supplies last year. The "Commando Delta" charges that "diehard leftists" signed a similar document using its name to claim responsibility for the above attacks.

In the document yesterday, "Commando Delta" states that it believes in "a healthy nationalism" and "even in violence, if needed, to remove a sick organ to keep the body healthy". This thinking is part of the fascist ideology. It also condemns "every form of corruption and Marxist and capitalist internationàlism".

PDS OBTAINS PERMANENT REGISTRATION AT ELECTORAL COURT

PY301954 Paris AFP in Spanish 0311 GMT 29 May 81

[Excerpt] Brasilia, 28 May (AFP)--The Supreme Electoral Court [TSE] today unanimously granted permanent registration to the progovernment Social Democratic Party (PDS).

Founded on 31 January 1980 after the only two parties which had been operating in Brazil since 1966 were disbanded on 31 December 1979, the PDS is the first of the six political parties organized last year in Brazil to obtain permanent registration before the TSE.

The opposition Brazilian Democratic Movement Party (PMDB), the Popular Party (PP), the Brazilian Labor Party (PTB), the Workers Democratic Party (PDT) and the Workers Party(PT) had requested temporary registration in 1980, and once they comply with all the requirements of the law on political parties, they will request permanent registration before the TSE by the end of 1981.

BISHOPS: EDUCATION AIMED AT IDEOLOGICAL CONTROL

PY270007 Paris AFP in Spanish 2214 GMT 25 May 81

[Text] Santiago, Chile, 25 May (AFP)--Today the Catholic Church warned that the education programs established by Gen Augusto Pinochet's government in Chile are aimed at ideological control of new generations.

In a lengthy pastoral letter, the Chilean bishops voiced their concern over the contents of these programs which, they stated, are aimed at the development of a new mentality, based on individualism, competition and the negative values of a consumer society.

The document analyzes various measures established by President Pinochet during the past 2 years, such as transferring educational centers under state control to the private sector and the elimination of a number of university majors.

The bishops asserted that the excessive concern over national security, which limits the study program, dangerously leads to ideological control and reduces the possible cooperation of people and groups really interested in the education process.

On the other hand, the episcopal message denounced "the omission of an explicit reference to the term 'democracy' in the new study programs, as well as the lack of encouragement to develop the students' own criteria."

In addition to pointing out that the government's educational objectives place emphasis on individual efforts and competition, the bishops point out the danger which exists in Chile developing a consumer and materialist society in which the media will be in charge of disseminating those negative values.

In a prior pastoral document released last Wednesday, the Chilean Catholic Church criticized the increasing consumerism within the liberal economic program established 7 years ago and suggested a public discussion of these subjects.

The educational diagnosis which was released today was compared by some bishops to the critical position the church assumed concerning an education reform project which was promoted by the late socialist President Salvador Allende, who was ousted by the armed forces in September 1973.

AIR FORCE CHIEF TO SOUTH AFRICA FOR 1-WEEK STAY

PY281140 Paris AFP in Spanish 0108 GMT 28 May 81

[Text] Santiago, Chile, 27 May (AFP)--It has been reported here that Gen Fernando Matthei Aubel, commander in chief of the Chilean Air Force, travelled to South Africa today.

The semiofficial ORPE agency indicated that Matthei will remain in that country for 1 week, having been invited by Gen Magnus Mallan, the South African defense minister.

The high-ranking Chilean officer travelled with his wife, Elda Fornet, and with the air force aide de camp, Squadron Commander Jorge Patino Vargas.

Matthei recently participated in the 21st conference of the commanders in chief of the air force of the American countries which began on 18 May in Washington, it was recalled here.

ARMY GIVES NAMES OF CUBANS WHO TRAINED GUERRILLAS

PA29162 Paris AFP in Spanish 1532 GMT 29 May 81

[Text] Armenia, Colombia, 29 May (AFP)--The Colombian Army disclosed here today the names of five Cuban militiamen who gave military training to guerrillas of the 19 April Movement (M-19) on that Caribbean island.

Gen Armando Diaz Sanmiguel, commander of the 8th Army Brigade, identified them as Majors Bruno, Galvez, Williams and Radames; Lieutenant Dominguez; and an adviser known as Facundo.

The military chief said his disclosure is based on the testimony of several M-19 guerrillas who were in Cuba several months ago and who were subsequently captured by the Colombian Army.

The officer said that in this way, Cuba's intervention in Colombia's domestic affairs is proven. This intervention led to the suspension of relations between the two countries on 24 March.

According to the testimony of the M-19 guerrillas, in Cuba they were given training in subversive actions, use of automatic weapons, hand-to-hand combat and evasion tactics in complicated situations.

They were also taught courses on political ideologies, communications and militia actions.

MINISTER OFFERS REBELS OPPORTUNITY FOR DIALOGUE

PA300312 Bogota Cadena Radial Super in Spanish 2330 GMT 29 May 81

[Text] Jorge Mario Eastman, the new government minister, today mentioned his past as a leftist democrat, as he offered the rebel groups the opportunity for holding a dialogue. As a member of the democratic left, I have friends among those who unfortunately have chosen the path of subversion instead of the free play of democracy, Minister Eastmen pointed out.

He talked about his years in school with Andres Almaral, the 19 Arpil Movement [M-19] ideologist who is presently a prison in La Picota, in Bogota, Minister Eastman reiterated his invitation to those who, following an ideology or a mistaken strategy, have taken the path of subversion to return to the democratic electoral process.

In offering the M-19 the opportunity of a dialogue, Minister Eastman is totally modifying the government's policy which was not to hold any dialogue with rebel groups.

Minister Eastman's new policy took many by surprise. The fact is, however, that former Government Minister German Zea Hernandez has admitted that the anmesty degree failed and he attributed this to the campaign unleased against it by several sectors.

Zea Hernandez defended the Turbay Ayala administration policy of not holding any type of dialogue with rebel groups and instead passing the amnesty decree for those who wished to quit the guerrillas.

Defense Minister Gen Luis Carolos Camacho Leyva was also opposed to any dialogue with the rebels.

In the meantime, the deadline for accepting the anmesty offer is 22 July 1981. The government still hopes that many will take advantage of it.

GOVERNMENT REACTION TO ROLDOS' DEATH REPORTED

Belaunde Conveys Condolences

PY251847 Paris AFP in Spanish 0239 GMT 25 May 81

[Text] Lima, 24 May (AFP)--Peruvian President Fernando Belaunde Terry has personally conveyed to Miguel Antonio Vasco, the Ecuadorean ambassador in Lima, his condolences over the death of Ecuadorean President Jaime Roldos.

The Peruvian president, accompanied by Foreign Minister Javier Arias Stella, went to the residence of the Ecuadorean ambassador, where a social gathering had to be suspended amid the consternation caused by the news of the death of the Ecuadorean president.

No Delegation to Funeral

PY260222 Buenos Aires LATIN in Spanish 0145 GMT 26 May 81

[Excerpt] Lima, 25 May (LATIN)--The presidential spokesman reported tonight that the Peruvian Government will not send an official delegation to the funeral of Ecuadorean President Jaime Roldos, who died in an aircrash yesterday.

Frank Varcarcel, Government House press chief, also denied the possibility that the government will declare official mourning as a result of Roldos' death.

During a conversation with reporters, Varcarcel said that President Fernando Belaunde Terry and his cabinet will attend a mass in the Lima cathedral at 1200 (1700 GMT) in memory of the dead statesman.

Oscar Trelles, president of the Senate, told the press that the possibility of sabotage by the Colombian guerrilla group M-19 in the aircrash where Roldos, his wife and several aides died cannot be discarded.

FOREIGN MINISTER ARIAS ON ANDEAN PACT FUTURE

PY280330 Paris AFP in Spanish 1934 GMT 24 May 81

[Text] Lima, 24 May (AFP)--Peruvian Foreign Minister Javier Arias Stella stressed here tonight that in the reaffirmation of the Andean integration process, political ingredients ought not to be mixed in with formal relations among the countries.

The chief Peruvian diplomat, who returned yesterday after having participated in the meeting of the Group of 77 and in talks on the future of the Andean subregional organ, said that both events had been very advantageous in that concrete strategies for greater cooperation have been outlined.

In this same spirit, he said, it had been agreed that it is necessary in the immediate future to call a meeting of the foreign ministers of the area and a technical meeting at the ministerial level, which would try to achieve an integral evaluation of the whole process in order to better perfect it.

After specifying that the respective consultations will be held immediately for these meetings in order to fix the date and saying that possibly the site will be Caracas, Arias Stella said that the meeting in Caracas was in no way formal, that concrete agreements had already been arrived at, and that Bolivia, which is quite removed from subregional activity, has shown signs of interest in reintergrating itself into the system.

On the other hand, he termed the Group of 77 meeting as very positive because of the formal declarations that had been passed to establish concrete forms of work, particularly for the creation of multinational enterprises in the fields of trade, technology and energy.

In conclusion, he confirmed that relations between Venezuela and Peru have been strengthened and that they will be translated into greater cooperation, especially when in a short time officials of the Venezuelan Institute of Foreign Trade arrive in Lima to try to increase the trade between the two countries.

BOLIVIA'S NATUSCH BUSCH REPORTEDLY ARRESTED

PY300118 Santiago Chile Domestic Service in Spanish 0000 GMT 30 May 81

[Text] The Peruvian police, observing all the respect which a general who briefly held the Bolivian Presidency deserves, have arrested Gen Alberto Natusch Busch.

Information from Lima stated that the general had been arrested in Puno, very near the Bolivian border. The information added that there is no request for his extradiction nor is he charged with having committed any serious crime in Peru, but that he had been arrested in order to hold talks with high-ranking authorities in Lima.

It was learned in Lima that Natusch had left Peruvian territory last Monday when Lt Gen Emilio Lanza revolted for the second time against Garcia Meza's government.

Some people have stated that Alberto Natusch suddenly vanished from Huancayo, in Peru, and tried to cross over to Bolivia through Puno, but that when he was halfway across the border, the Bolivian radio stations announced that Emilio Lanza had given up to the Bolivian authorities.

Since Peru is not interested in being used to prepare coups, it has requested General Natusch to try and remember where he had been last Monday.

Natusch hold a 90-day tourist visa for Peru and could be invited to leave the northern country if he intends to continue coming and going to Peru as if he were at home.

166 SUBVERISVES REPORTED UNDER ARREST; ARMS SEIZED

PY301438 Asuncion PATRIA in Spanish 30 May 81 p 1

[Text] Lima, 29 (TELAM)--A gigantic operation set into motion by the civil guards has resulted in the arrest of 166 terorists responsible for the 262 terrorist attacks perpetrated in the departments of Ayacucho, Lima and Ancash during the first 5 months of the year.

A communique issued by the civil guards indicated that this organization has seized 2,440 sticks of dynamite, approximately 2,000 meters of fuses, 381 detonators, 12 noise bombs, 44 homemade bombs and 49 grams of plastic explosives.

The police explained that the explosives were of the type used against public buildings. They stated that 103 terrorist attacks have taken place in Ayacucho, 87 in Lima and 36 in Ancash. The civil guards said that January was the month when the most attacks took place, followed by April, May, February and March, in that order.

BRIEFS

SOUTH KOREAN BUSINESS DELEGATION--Lima, 27 May (TELAM)--A delegation of the South Korean Sabumo Enterprises group is visiting Peru with the objective of investing in the Peruvian petroleum development field and to close agreements for the purchase of nonferrous minerals and metals. [Buenos Aires TELAM in Spanish 1150 GMT 27 May 81 PY]

NAVY COMMANDER INVIDIO ON POLITICAL TRENDS

PY280046 Buenos Aires TELAM in Spanish 0618 GMT 26 May 81

[Text] Montevideo, 26 May (TELAM)--In Uruguay there ought to be new political currents within the traditional parties (Blanco and Colorado) which ought to draw their support from democratic bases, according to a statement here by the commander in chief of the Uruguayan Navy, Vice Adm Rodolfo Invidio.

The military chief declared to local journalistic media that a national civic consciousness ought to be created, with views on the next steps in the institutionalization in the country. He likewise emphasized the role that ought to be played by the youth in the next phases of Uruguayan political life.

Invidio said that currently the Armed Forces Political Commission (COMASPO) is studying a series of bases for elaborating future political opening plans. He added that the philosophy of the process has not changed, but he noted that new officers have been incorporated into the commission. This process has neither dates nor deadlines, bur rather it has goals, emphasized the navy chief.

In recent hours, the commander of the 4th Army Division, Gen Abdon Raymundez, said that the COMASPO was in the process of reorganizing.

POLITICAL PARTIES WILL FUNCTION; NO DATE GIVEN

PY211500 Paris AFP in Spanish 1404 GMT 21 May 81

[Text] Colonia, Uruguay, 21 May (AFP)--Gen Julio Rapela, commander of the 2d Army Division, promised here today that a political opening will imply the functioning of the traditional parties, although no date was given. Regarding the role that the armed forces will play once the political parties are rehabilitated, the military chief said that they will continue to share activities in order to ensure the security that is needed for the country's development.

According to Rapela, the armed forces are interested in taking the necessary steps and continue with the progress of the political opening process, a process that, he stressed, "has to imply the functioning of the political parties, because that has been our objective for years." Moreover, he refused to set a date, indicating that he could not give an exact date: "I cannot say whether it is going to be in the short-term or in the long-term," he stressed.

Rapela was also asked about the report published in the Buenos Aires newspaper CLARIN to the effect that the former commander in chief of the Uruguayan Army, Lt Gen Gregorio Alvarez (ret) was one of the candidates to take over the Presidency from Aparicio Mendez on 1 September 1981. Regarding this subject, the army chief said that he had no knowledge of the report and I believe that it is risky to give names at this time.

AIR FORCE CHIEF DENIES ATLANTIC PACT POSSIBILITY

PY261049 Buenos Aires TELAM in Spanish 2240 GMT 25 May 81

[Text] Montevideo, 25 May (TELAM)--The commander in chief of the Uruguayan Air Force, Lt Gen Jose D. Cardozo, denied the possibility that the American countries might form a South Atlantic defensive alliance similar to NATO. The military chief made this declaration to local reporters shortly after returning yesterday from the United States where he attended the 21st conference of American air force chiefs.

Cardozo said that basically the American countries are trying to coordinate efforts in areas in which the respective air forces can do something of benefit for national development and the common good of America.

PRESIDENT HERRERA DENIES INVOLVEMENT IN ARMS RACE

PA281932 Paris AFP in Spanish 2318 GMT 27 May 81

[Text] Caracas, 27 May (AFP)--Venezuelan President Luis Herrera Campins said today that the desire to modernize the country's military equipment "is very far from being a trend toward an inadvisable arms race."

The head of state said that there are "self-seeking and deluded warmongers who seek to depict us as being defenseless in a bid to conclude fat deals and to make easy profits."

Herrera stressed at the ceremony to inaugurate the building that will house the Venezuelan Defense Ministry that "in a world that demands and requires peace, we are prepared to use every civilized means and international law to defend our inalienable territorial rights."

As part of a program to renovate their equipment, the Venezuelan Armed Forces have ordered six missile ships from Italy for the navy. Two of them have already been delivered. Last week the air force commander took advantage of a trip to the United States to meet with his continental counterparts and to make contacts with the manufacturers of the ultramodern F-16 fighter planes. The air force commander said, however, that no decision had been made to purchase this type of plane although he admitted that it is one of the things in which Venezuela is interested.

Meanwhile, emphasis was placed in Washington on the opening up of the U.S. military industry to Latin America following the restrictions imposed by the Carter administration.

Observers stressed that the renovation of the military equipment is taking place at a time when there is a strain in Venezuela's relations with its eastern neighbor, Guyana, which is the only English-speaking country in South America, as a result of a century-old territorial claim. Senior Venezuelan officials have stated, however, that they expect to settle the conflict through negotiations and peaceful means. It was also stressed here that Venezuela has never been involved in a war throughout its history as a republic.

In his speech at the ceremony, Gen Tomas Abreu Rescaniere, Venezuelan defense minister, was critical of the country's sectors which think that Venezuela is incapable of successfully defending its territorial integrity militarily, terming such rumors as "unpatriotic and defeatist."

The minister underscored that the Venezuelan Armed Forces personnel "wish, above all, for a peace that will safeguard our sovereignty and supreme public interests, which include our national dignity."

"Our armed forces harbor no warlike intentions or feelings, but since they have the necessary materiel, human resources and motivation to defend vital elements of our territorial sovereignty, they will never relinquish the legitimate borders which the laws have historically assigned to Venezuela," he stressed in conclusion.

DEFENSE MINISTER DENIES ARMED FORCES WEAK

PA280502 Caracas Radio Continente Network in Spanish 2100 GMT 27 May 81

[Interview with Gen Tomas Abreu Rescaniere, Venezuelan minister of national defense, by station reporter Euclides Perez on 27 May 1981; place not given--recorded]

[Text] [Abreu] My statement on this significant day when we have dedicated the New Defense Ministry building dealt with the fact that some voices--and I do not know whether to describe them as unpatriotic or as representative of vested interests--have tried to make believe that our armed forces are weak and that we are defenseless [words indistinct].

We categorically reject this affirmation because this is not true. We have both the motivation (?and) the resources to enforce the provisions [word indistinct].

[Question] Minister, once again it is being said that the military sector should (?vote in) the presidential election. What is your opinion on this?

[Answer] That topic comes up periodically. I remember that last year it was once again a topic of discussion. Many officers have voiced their views, some of them [words indistinct]. As an officer [words indistinct] I think that at this point a military (?bloc) is not advisable.

[Question] Why is it not advisable?

[Answer] I think that certain circumstances and elements that would distort the reality and the vital needs of the armed forces would be introduced into the military environment.

AUTHORITIES ACTIVELY SEARCH FOR TERRORIST 'CARLOS'

PA292309 Madrid EFE in Spanish 0024 GMT 29 May 81

[Text] Caracas, 28 May (EFE)--Carlos Ilich Ramirez, the international terrorist known as "Carlos," or "the Jackal," is being actively sought here. The state is engaged in an intensive effort to determine if "Carlos" is in the country. He presumably came here to stage an attack against the conference of the "Group of 77" which began 15 days ago in a town on the central Venezuelan coast.

The rumor that "Carlos" had entered Venezuela became more insistent as a result of an incident which took place in Caracas last week when a wounded patient was removed from a clinic by several armed men.

On Thursday, two women took a man with bullet wounds to a clinic, where he immediately underwent surgery.

Several hours later, a group of armed individuals went to the clinic and removed the patient, assuring the medical staff that he would receive postoperative attention.

The persons who treated the patient told police that he showed signs of having undergone plastic surgery.

However, his ears, parts of the body that are very difficult to change, could be those of the "the Jackal." The authorities are investigating.

Carlos Ilich Ramirez is a Venezuelan who studied in Moscow in the 1960's. However, according to some reports, he was obliged to leave the USSR for political reasons.

He became famous as a terrorist when he was linked to an attack on OPEC. He has also been accused of participating in the assassination of Anastasio Somoza on 13 September 1980.

PROGRAMMING SECRETARY CLOSES BUDGETING SEMINAR

FL292336 Mexico City NOTIMEX in Spanish 2314 GMT 29 May 81

[Text] Mexico City, 29 May (NOTIMEX)--Our ideas for international economic cooperation in a more just order will be realized only through solidarity among our peoples and countries.

This was noted by Mexican Secretary (Minister) of Programming and Budget Miguel de la Madrid when he closed today the 10th inter-American seminar on budgeting which was held in this capital for 4 days. He said it was established at the seminar that budget experts of the American Continent once again have reaffirmed and clarified that budgeting is a tool of decisive importance for the formulation of development policies.

He recognized the value of the contributions and discussions at the seminar and underscored the latter's importance for the exchange of expertise and technology between experts and theoreticians of the Latin American countries.

Lastly, he expressed the hope that the results of the seminar will help the peoples of the region to reach, in democracy and freedom, superior stages of development and, thereby, to provide higher levels of well-being and justice to the people, all of it in peace.

LEGISLATORS LEAVE FOR JAPAN, PRC, SINGAPORE

FL290053 Mexico City NOTIMEX in Spanish 0009 GMT 29 May 81

[Excerpt] Mexico City, 28 May (NOTIMEX)-- A delegation of 20 legislators of the Chamber of Deputies today left for Japan, the PRC and Singapore in response to an invitation of the lower house of these nations for the purpose of having an intensive exchange of views on urban problems and experiences.

The delegation is composed of representatives of the seven Mexican political parties. Their aim is to learn about legislation on services such as potable water, drainage, a subway system, bus transportation, social security, housing, police administration and others.

Institutional Revolutionary Party Deputy Jacobo Soriano explained that all those participating in the trip--which will last 15 days--want to know about the Tokyo metro system, and this is especially true of Gilberto Rincon Gallardo of the Communist Party of Mexico, Jorge Diaz de Leon and Hugo Domenzain.

LEGISLATORS HOLD TALKS WITH YUGOSLAV DELEGATION

FL290108 Mexico City NOTIMEX in Spanish 0057 GMT 29 May 81

[By Ubaldo Diaz]

[Excerpts] Mexico City, 28 May (NOTIMEX)--Luis M. Farias, chairman of the standing committee of the Chamber of Deputies, today proposed to a group of Yugoslav legislators that representatives of the people of both nations meet each year because dialogue is very important to intensify relations between the peoples of Mexico and Yugoslavia.

For his part, Dragoslav Markovic, president of the Yugoslav Federal Assembly, said that his country's legislators always have agreed with the Mexican position at all meetings of the World Inter-Parliamentary Union because the two peoples have similar objectives.

Talks with Mexican representatives are a very unique experience because geographic distance does not seem to exist between the two peoples.

Disarmament, the search for a new [internation] economic order and nonintervention in the domestic affairs of other nations are struggles being waged by the Yugoslav people, and by doing so, they find themselves on the side of the Mexican people, Markovic said.

PEMEX TO COORDINATE OIL MATTERS WITH BRAZIL

FL301324 Mexico City Notimex in Spanish 0225 GMT 30 May 81

[By Leonardo Valadez C.]

[Text] Mexico City, 29 May (NOTIMEX)--The director of the state-owned Mexican Petroleum (Pemex), Jorge Diaz Serrano, said today that much progress could be made in localizing oil deposits with the cooperation of the nations of South America, the Caribbean and Mexico. The Mexican Government official said that "each company, each country jealously guards its secrets and that is why there is no progress in geology in general," and therefore Mexico and Brazil will now work in coordination.

In a press conference granted to Brazilian media with the participation of Sao Paulo State Governor Paulo Maluf, Diaz Serrano said that "we believe that the more petroleum there is, the more energy sources are found in the world, the smoother the peaceful transition from the era of petroleum to the era of that which will replace petroleum."

The press conference was held following the signing of a cooperation protocol between the Mexican Petroleum Institute (IMP) and the Paulipetro Company, Sao Paulo State, Brazil.

Diaz Serrano recalled that Mexico, through President Jose Lopez Portillo, had proposed a world energy program at the United Nations "that included Pemex initiatives such as this one involving Brazil."

The Sao Paulo governor recognized that Pemex policies were truly geared to the objectives of national liberation, social welfare and social justice for its workers. "We are certain that with Paulipetro working with Pemex, we will obviously move faster than with Paulipetro working alone," Maluf said.

Concerning the possibility that Mexico might use alcohol-based gasoline in cars, as Brazil is now doing, Diaz Serrano said that this is not likely because Mexico has huge petroleum deposits that guarantee a supply of gasoline and fuels in general. "We have 67 billion barrels in reserves, and 45 billion barrels in probable reserves included in potential reserves of 250 billion barrels, which guarantee a 60-year supply in proven reserves."

CULTURAL COOPERATION WITH ITALY TO BE EXPANDED

FL292350 Mexico City NOTIMEX in Spanish 2331 GMT 29 May 81

[Text] Mexico City, 29 May (NOTIMEX)--The governments of Mexico and Italy today ratified their 1981-82 program for cultural and educational exchange, the Secretariat of Foreign Relations has announced. The two countries decided to expand their links in these two areas at the close of the fifth meeting of the Mexico-Italy joint committee for cultural cooperation.

The program signed today calls for the visit of specialists to exchange experiences in matters of common interest and for academic activities between the two countries. The program of scholarships established in 1975 will continue, complemented by exchange of information and publications in the fields of culture and education. The two sides reached agreements during this meeting to undertake exchanges on music, dance and arts, including exhibits of Pompeian art in Mexico.

The closing ceremony was chaired by Maria Emilia Tellez, the Mexican Foreign Secretariat's under secretary for cultural affairs, who stressed the interest that exists in expanding knowledge about the two cultures. The Italian delegation to the cermony has headed by Ambassador to Mexico Francesco Spinelli.

PRD OFFICIAL CITES WAY TO END TORRIJOS' RETIREMENT

PA250147 Panama City CRITICA in Spanish 23 May 81 p 2

[Text] Only if the party is organized in the manner pointed out by Omar and designed by Ascanio, could Gen Omar Torrijos H. be brought out of retirement to head the Democratic Revolutionary Party [PRD], Gerardo Gonzalez V. said at the posthumous tribute paid to Ascanio Villalaz P., second assistant secretary general of the Revolutionary Process Party.

Under the slogan "Ascanio lives," thousands of PRD members, militants, friends and sympathizers attended the posthumous tribute to nationalist and revolutionary leader Villalaz.

According to Gerardo Gonzalez, Ascanio will remain alive and active as long as the PRD members remain united to duly fulfill and enforce the party's principles, programs and statutes and to fulfill and enforce that line and the principal tasks outlined for this organization and for the national process.

In his speech, the secretary general referred to the PRD's organizational program, which Villalaz designed during the last months and weeks of his life. He added that in a matter of a few months the PRD must consolidate its nuclei and the popular base organizations to promptly make way for the corregimiento and district conventions. "The provincial and area conventions must conclude this year in order to complete and consolidate the PRD's structure."

Gonzalez added that the party's organizational process will culminate in early 1982 with the celebration of the second national PRD congress, where participants will include delegates democratically elected from the base by the nuclei. The militants at the base must also propose new revolutionary and patriotic goals.

"The first of these goals," Gonzalez went on, "must undoubtedly be bringing the PRD's founder, leader and natural guide out of retirement so he leads the party and its future developments toward new stages in the history of Panama."

He then said that the PRD must become a great historic, modern, popular and militant party, because without this it would not be a true Torrijist party, a party of the Panamanian revolutionary process. "With his life, Ascanio set for us the best example of human quality, honesty, revolutionary optimism, morality, discipline and preseverance, an example that it is necessary to cultivate and teach constantly in order to fulfill our great goals," Gonzalez affirmed.

PDC LEADER PREDICTS TORRIJOS' DEFEAT IN 1984

PA310209 Panama City Televisora Nacional in Spanish 2315 GMT 30 May 81

[Text] Panamanian Christian Democratic Party [PDC] leader Ricardo Arias Calderon charged today in El Salvador that Gen Omar Torrijos has established a dictatorship here in Panama. He also predicted that if Torrijos is nominated for the 1984 presidential elections he will experience a crushing defeat.

PDC Secretary General Arias Calderon, who is in San Salvador to participate as an observer in the Salvadoran Christian Democrats' fourth congress, said today at a news conference that Torrijos is the one who rules here in Panama and that all Panamanians, the president included, know that.

Arias Calderon denied that he is his party's candidate for the 1984 elections in our country even though the Salvadoran Christian Democratic leaders introduced him that way at today's news conference.

According to Arias Calderon, the possibility that General Torrijos might be crushingly defeated if he runs in the election is very dangerous, not because of what the general represents politically, but because it will be very difficult for the National Guard to remain impartial.

Arias Calderon, who will remain in San Salvador for 2 days and will then return to Panama, told newsmen that political conditions exist in our country which might lead to conflicts in our nation similar to those currently affecting El Salvador and Guatemala. He added that although certain conditions make this process slower in Panama, anything could happen if in 1984 Panamanians are denied the possibility of experiencing a democratic alternative.

FRAMPO ASKS FOR DISSOLUTION OF LEGISLATURE

PA291813 Panama City LA PRENSA in Spanish 29 May 81 p 1

[Text] The National Executive Committee of the Popular Broad Front [FRAMPO] has said in a communique signed by Renato Pereira, its secretary general, that indifference, disarray and incompetence predominate in the Legislative Council.

"The debate on the University of Panama dramatically shows how the Legislative Council is flinging the republic down a precipice," FRAMPO stresses.

It notes that 7 months after the opening of the present legislature, half of the 57 legislators have said absolutely nothing. It adds that the council has been unable to hold many meetings because of a lack of a quorum and that many other meetings have been held with just barely the necessary quorum, which shows a lack of interest in fulfilling parliamentary responsibilities.

FRAMPO claims that most of the legal provisions which have been adopted to regulate university operations will only block the development of the autonomous, democratic and disciplined university demanded by the community.

FRAMPO adds that the outrages the students have committed against university authorities have been provoked by the legislators.

It asks that the executive branch exercise its constitutional powers and dissolve the present National Legislative Council and that a new legislative council be formed with all its members elected by the people through a direct and secret vote.

BILATERAL TRADE MEETINGS WITH COSTA RICA BEGIN

PA270304 Panama City Televisora Nacional in Spanish 2315 GMT 26 May 81

[Text] Delegations of businessmen and government officials of Panama and Costa Rica have begun meetings in San Jose designed to improve the current bilateral treaty. The meeting that began in San Jose today is being carried out at the initiative of the Panamanian Government, which is trying to make changes and solve problems that affect trade between the two nations.

According to information released in San Jose today, the Panamanian Government wishes to make bilateral trade more expeditious and to establish a system for the compensation of exports. This would require meetings between banking authorities of the two countries in the near future, since the compensation system requested by Panama consists of having transactions paid for in local currency by means of deposits that can subsequently be converted into dollars.

The Panamanian delegation is headed by Foreign Trade Director Yvonne de Suarez.

BCIE GOVERNORS HOLD 20TH ASSEMBLY IN SAN JOSE

PA291220 Paris AFP in Spanish 2121 GMT 28 May 81

[Text] San Jose, 28 May (AFP)--The Central American countries will need at least $35 billion during the next 10 years to prevent social unrest in the region from getting worse, Costa Rican President Rodrigo Carazo predicted here today during the start of the 20th assembly of governors of the Central American Bank of Economic Integration (BCIE).

Carazo emphasized that this amount would serve only to cover the deficits of the Central American countries in their balance of trade with the rest of the world.

Carazo added that if the international community does not look at Central America with the intention of finding solutions to the serious problems confronting the isthmus, and if the Central American countries themselves "do not strive to confront our problems," social problems will multiply and expand during the coming decade.

"We are getting tired," Carazo said, "of repeating that the social unrest in many of our countries is not caused by ideologies but by hunger." The president meant by this that economic underdevelopment and the poor social conditions prevailing among large sectors of our people directly affect political stability in many nations.

Carazo called for serious consideration of the Central American problems and for setting superficial analysis aside. He called for an intensive search for solutions "because otherwise the impoverishment of our people will be automatic."

Within his analysis, the Costa Rican president came out in favor of the ideas of increasing the BCIE capital in the not too distant future and of giving this institution a more dynamic role within the pressing economic situation of the region.

The 20th assembly of bank governors, made up of the economy ministers and the presidents of the region's central banks, is also studying the possibility of having the BCIE finance the balance of payments deficit faced by several Central American countries.

This 2-day governors meeting will also elect the new BCIE board president for the 1981-82 period and will hear reports on the compliance with the agreements approved in the previous assembly.

COSTA RICA

NIEHAUS SAYS FOREIGN MINISTERS TO MEET IN JUNE

PA291445 San Jose Radio Reloj in Spanish 1200 GMT 29 May 81

[Text] Costa Rican Foreign Minister Bernd Niehaus has said that the meeting of Central American foreign ministers will be held in June. He noted that the general feeling in the isthmus is that the dialogue is necessary. He stated that this meeting must be held but that it must be focused on economic matters in order for it to be fruitful.

He added that efforts are being made to hold this meeting in mid-June. He said that political differences must be put aside in order to solve the economic problems of Central America.

Niehaus said that he feels that this meeting should be immediately followed by a summit of area presidents. Costa Rica had suggested that this summit be held in Panama. The foreign and economy ministers would draw up the agenda for it.

Costa Rica feels that the presidential summit should immediately follow the foreign ministers' meeting; therefore, it would be held in early July.

The presidential summit to analyze the economic problems of the isthmus could be coordinated with a meeting with the Mexican and Venezuelan presidents in order to discuss the suggestion that Helmut Schmidt will make in Washington about the implementation of a mini-Marshal Plan for Central America, Niehaus said. However, the meeting with the Venezuelan and Mexican leaders has not been specifically established although the possibilities for it have not been discarded.

CARAZO COMMENTS ON AID LOAN CANCELLATION

PA291928 San Jose Radio Reloj in Spanish 1730 GMT 29 May 81

[Interview with Costa Rican President Rodrigo Carazo by correspondent William Cespedes after the inauguration of the new administrative offices of the National Training Institute in La Oruca, San Jose--recorded]

[Excerpts] [Question] The director of the Agency for International Development [AID] in Costa Rica has told me that for the first time since 1946 an aid loan to Costa Rica has been canceled.

[Answer] Yes, unfortunately.

[Question] Will any new efforts be made to try to recover this loan?

[Answer] The cancellation was announced sufficiently in advance. When we asked for the fifth extension we were told that it would be the last one. I think that the initiative would now have to come from AID because it is practically impossible for us to negotiate it now.

COFFEE SOLD TO USSR, AGREEMENT SIGNED WITH ALBANIA

PA310435 Panama City ACAN in Spanish 0105 GMT 31 May 81

[Text] San Jose, 30 May (ACAN-EFE)--Costa Rica has signed an economic agreement with Albania, by which it will be able to buy articles in that country. In another operation, Costa Rica sold 500 tons of coffee to the Soviet Union.

Carlos Manuel Echeverria, deputy economic planning minister, has announced that the agreement with Albania opens the door for trade between the two countries on the basis of an exchange of products.

Echeverria stated: "At this moment when we are trying to rationalize the expenditure of dollars, the exchange of products is a mechanism suitable to our country."

Meanwhile, an announcement was made on the negotiations with Soviet trade officials in this capital, which resulted in the sale of 500 tons of coffee to the Soviet Union.

Aleksey Yermakov, press attache of the Soviet Embassy, said that the Soviet Union has been buying Costa Rica coffee for the past 10 years and that this year there will be more purchases. Costa Rica has a surplus production of 10,000 tons from the present harvest.

EL SALVADOR

ARMY GUERRILLAS CLASH IN DOWNTOWN SAN SALVADOR

PA300350 Paris AFP in Spanish 0321 GMT 30 May 81

[Text] San Salvador, 29 May (AFP)--Fierce fighting broke out tonight between army troops and leftwing guerrillas in downtown San Salvador, but thus far it is not known how many casualties were caused in the skirmish.

The fighting broke out when a large group of guerrillas attacked a truck carrying reinforcements (troops who were going to be posted at various surveillance posts) while it was passing in front of the San Francisco Church in the downtown sector of the city and fighting ensued, a witness told AFP.

At the same time, the witness, a Labor Ministry worker, stated that other guerrilla groups attacked military positions in the vicinity of the cathedral, the national palace, the municipal mayor's office, Libertad Park, and the area surrounding the Labor Ministry.

The shooting began at 1845 local (0145 GMT) and was intense during the first 25 minutes, but 40 minutes later sporadic firing could still be heard. The army and the other security corps deployed a large number of troops and after 1 hour, a precarious calm could be felt amid the nervousness and tension in the downtown sector of San Salvador.

Hundreds of persons began to come out with their hands over their heads from corridors, hallways, porches, vehicles, trees, business establishments and other places where they sought refuge from the bullets. The pedestrians quickly left the scene of the battles and virtually thronged the scarce means of transportation and taxis to go home. Drivers did likewise in their hurry to get away as quickly as possible from the downtown sector and many of them did not hesitate to cross one-way streets in the opposite direction.

Some of the witnesses who were fleeing from the combat zone told AFP that they saw several bodies lying on the pavement, but did not note how many. Two Red Cross workers who participated in rescue operations were wounded by gunshots. The AFP special correspondent witnessed the arrival of Antonio Erazo, 26, ambulance driver, at the Rosales Hospital emergency room after being wounded in the chest and arms by gunshots when he was passing in front of the municipal mayor's office.

There has been no [words indistinct] or unofficial as yet on the casualties as a result of the fighting.

Meanwhile, the attacking guerrillas, whose number is also unknown, managed to escape during the shooting through different parts of the city. After the clash, the army imposed strict vigilance in the scene of the battles and extended its strong presence over the rest of the Salvadoran capital.

For its part, the Salvadoran Red Cross sent 10 of its assistance and rescue units to aid the victims and pedestrians who at nightfall were still trapped in the downtown sector of San Salvador, the scene of the fighting.

Further Details

PA301952 Panama City ACAN in Spanish 1323 GMT 30 May 81

[Text] San Salvador, 29 May (ACAN-EFE)--A "terrorist" group tonight attacked the national police headquarters, the mayor's office, the Labor Ministry and other places guarded by military authorities, a military source reported tonight.

The police headquarters is in the southern part of the capital.

After the "terrorist" attacks, the shooting spread to the center and north of San Salvador, preventing the movement of traffic and pedestrians, the military source added.

The source noted that so far how many casualties the "subversives" sustained cannot be determined, since shooting is still going on in several parts of the city. The source stated that the military forces sustained no casualties.

Radio Venceremos Report

PA311808 (Clandestine) Radio Venceremos in Spanish to El Salvador 1400 GMT 31 May 81

[Text] Our struggle is progressing. The army of the Farabundo Marti National Liberation Front [FMLN], vanguard of our heroic people, every day continues to strike blows against the dictatorship.

While the genocidal demagogical junta continued talking about elections and about whether or not there is a climate for them--totally oblivious to our people's interests and needs--these same heroic people in arms attacked the national police headquarters in the heart of downtown San Salvador.

The clash lasted over 40 minutes and spread to the vicinity of the national palace, the metropolitan cathedral, the town hall, the Labor Ministry and Liberatad Park. This downtown area was militarily seized by revolutionary forces of the FMLN in an unprecedented action that shows once more that despite the brutal repression and the junta's efforts at controlling our capital, the discipline and determination of our combatants have continued dealing blows against the dictatorship and undermining it in its own backyard.

GUATEMALAN EMBASSY FIRED ON BY UNIDENTIFIED GROUP

PA300210 Panama City ACAN in Spanish 2357 GMT 29 May 81

[Text] San Salvador, 29 May (ACAN-EFE)--This afternoon an unidentified group in a moving vehicle opened fire on the guard of the Guatemalan Embassy in El Salvador.

Embassy employees said that individuals in a vehicle fired at the security guards from a great distance without hitting them.

The Guatemalan Embassy, located in downtown San Salvador, has been strafed by machinegun fire on various occasions, which is why walls have been built around it.

UNIDENTIFIED MEN MURDER MINISTRY SECURITY OFFICIAL

PA312003 Panama City ACAN in Spanish 1750 GMT 31 May 81

[Text] San Salvador, 31 May (ACAN-EFE)--Judicial sources today reported that Ernesto Granados, chief of security of the Salvadoran Foreign Ministry, and his mother were killed yesterday by unidentified individuals who entered their home in the northwestern sector of this capital.

Granados and his mother, Olinda Granados, were riddled with bullets while they were in their house in The Tecoluca neighborhood in northwestern San Salvador.

The reasons for the killings and the identity of the killers are not known yet.

REPORTAGE ON OTHER GOVERNMENT, GUERRILLA ACTIONS

Clash Near Chichontepec Volcano

PA292235 San Salvador EL MUNDO in Spanish 28 May 81 p 2

[Excerpts] Combined military forces stationed in San Vicente clashed several times yesterday with groups of extremists in the foothills of Chichontepec Volcano, Nuevo Tepetitan jurisdiction, the army 5th Infantry Brigade command reported.

Some extremists who were urging the peasants to quit their jobs on El Carmen Farm were ambushed by the soldiers.

The same source indicated that the army is in control of the situation in Tecoluca, Verapaz, Guadalupe, San Cayetano Istepeque, Apastepeque and in other municipalities, even if there is still sporadic shooting.

Activity Near Powerplants

PA310158 San Salvador EL DIARIO DE HOY in Spanish 30 May 81 pp 4, 15

[Excerpts] Yesterday terrorist commands continued erecting fortifications near El Cerron Grande and 5 de Noviembre hydroelectric plants, military sources have reported.

According to them, the army's troops have the necessary information and their capacity is superior to that of any subversive group. However, the rural population's fears in those sectors have continued to grow and a number of local residents has fled to Ilobasco and other cities, an international news agency has reported.

The sources added that the extremists apparently intend to place a cordon around the two hydroelectric plants, which supply 80 percent of the country's energy.

Meanwhile, military sources have reported new leftist activities in various parts of the country.

Santa Ana, San Vicente, Cabanas, and Morazan have been mentioned as the places where the subversives are carrying out their activities most intensely.

Finally, the body of an unidentified individual with foreign features was found yesterday between kilometers 43 and 44 of the coastal road in Obrajito Canton. The authorities assume he was a mercenary. According to them, the body was wearing blue linen pants. The man in question was well-built, about 30 years of age, dark-skinned, almost black, with thick lips and black hair. The body had two bullet wounds in the head and three in other parts of the body.

RAIDS ON DISCOS

PA31025 San Salvador LA PRENSA GRAFICA in Spanish 30 May 81 p 31

[Exerpts] In the past few days, the security bodies have been carrying out careful searches with positive results in a number of discos and other places where music is heard, an armed forces spokesman announced yesterday.

According to the source, the measure was adopted because it has been detected that in its zeal to infiltrate all strata, international communism has not skimped on its efforts and now plans to sway both those who are educated and those who are not through its distorted arguments. To achieve this, music is being used as the best vehicle, particularly "protest songs."

The official source added that the discos have been raided and the results have been satisfactory since the armed forces have seized many of those "messages." According to the source, something similar has been happening concerning houses where the slogans painted by subversive groups have remained for a long time. To counteract this, the source added, walls where subversive slogans have been painted should be painted over.

U.S. POLICIES ON EL SALVADOR, VIETNAM COMPARED

PA291559 (Clandestine) Radio Venceremos in Spanish to El Salvador 1200 GMT 29 May 81

[Station commentary]

[Text] Military observers all over the world agree that in many ways U.S. military policy toward El Salvador is very similar to the U.S. intervention in Vietnam.

The U.S. military aid program for the Salvadoran junta has taken the following steps at the same time: It has stepped up the modernization of arms, logistics and communications for the various branches of the armed forces and it has installed a military structure made up entirely of American officers and specialists.

Even though the United States has not received widespread international approval for its plans, it still sent Hercules C-130 planes, which arrived daily at Ilopango airstrip for approximately 2 weeks after the beginning of the general offensive of the Farabundo Marti National Liberation Front [FMLN] in January of this year.

According to U.S. spokesmen, between January and the middle of April, the Christian Democratic-Military junta had received 342.2 tons of arms, which was an average of 3.2 tons a day.

The military and economic aid offered by the United States to the Salvadoran regime is divided into $126.5 million in economic aid, according to a State Department spokesman, while military aid, including the last package which includes $26 million, amounts to $72 million. Of course the above data does not include multilateral U.S. aid for El Salvador, offered through such organizations as the Agency for International Development, which has contributed $82.6 million; the IDB, $101.6 million; the IMF, $123.4 million--for a total of $464.9 million for fiscal 1981.

It must be pointed out that much of the amount offered in the economic sector is really for military use, which has also occurred in many aspects of the agrarian reform project, whose main author is Roy Prosterman, the same person who implemented in Vietnam the (?so-called) strategic hamlets which massacre peasants.

The aforementioned figures do not include all the [word indistinct] contributions covered up in the budget of the United States because they relate to the national security.

Regarding the operation of the army, the FMLN's information section published a document revealing the operation of a structure parallel to that of the Salvadoran Armed Forces, which it describes as a puppet army, in the Panama Canal Zone. The document asserts that the United States has established the so-called 8th Special Forces Group, which, operating from Fort Sherman and Fort Gulick, advises and directs the Salvadoran military.

The 8th Special Forces Group is allegedly organized into three groups of detachments: Detachment A, which would be set up at the command level; Detachment B, at the level of theater of operations; and Detachment C at the level of the high command of the armed forces.

According to the FMLN report, by 6 March there were (?six) A detachments in El Salvador, (?two) B detachments and (?one) C detachment, which formed a company of special forces.

The location of the advisers sent by the United States to El Salvador, according to official sources, would be: 12 advisers in the U.S. Embassy, 14 at the Ilopango Air Base, 5 naval instructors at the Port of (Istepeque), 20 in the general staff and the rest of the Green Berets, it is officially stated, in the special brigades.

This is the total number that imperialism publicly recognizes has been delivered to the Salvadoran dictatorship.

Despite this military potential that has been delivered, the dictatorship has been unable to conquer the forces of the people in arms. It has been unable, as it states, to annihilate the forces of the FMLN in any of its positions, through any of the multi-million dollar operations mounted by imperialism and the Salvadoran dictatorship in Guazapa, Chalatenango, San Vicente, La Union, in [name indistinct], in Cabanas, in Morazan, in all of the nation's territory while the militias are gaining strength and our army becomes more disciplined and gains strength in 50 years of combat against military dictatorships.

Meanwhile, Duarte and the genocidal military command are asking imperialism for more helicopters. Meanwhile, they ask for more aid from the warmongering government of Ronald Reagan. Meanwhile, U.S. military spokesmen themselves have given assurances that 200 more advisers are needed, as well as 200 more filibusters and 200 more mercenaries who would come to direct the genocide engineered against our people.

But imperialism must know, once and for all, that here on this territory we Salvadorans will defend our national sovereignty; we will know how to achieve a democratic and revolutionary government. And for this, we are determined to shed even the last drop of blood that flows through our veins because we will not allow our country to be converted into another U.S. colony, another Puerto Rico.

That is why we are fighting for peace, the peace that is necesssary for the re-construction of a nation that has been partly destroyed by a voracious oligarchy and 50 years of military dictatorships.

GUTIERREZ VISIT TO CHILE'S PINOCHET SCORED

PA291717 (Clandestine) Radio Venceremos in Spanish to El Salvador 1200 GMT 29 May 81

[Station commentary]

[Text] At La Moneda, the government palace that once housed Chile's popular unity and our always-remembered companero, President Salvador Allende, and the palace that is still damaged by the bombs of a treacerhous army, there has been a meeting of the most nefarious figures of the continent: genocidal Jaime Abdul Gutierrez, genocidal Eugenio Vides Casanova and genocidal Augusto Pinochet.

Aside from the disrespect this means for the governments and personalities who in the past received the Jose Matias Delgado Order of the Great Cross and who today must share the same distinction with Augusto Pinochet, who has been rejected by the democratic governments of the world 1,000 times; and aside from the machinations and teachings which a dictator like Pinochet can offer to El Salvador's genocides, for example, they must have talked a lot about free elections, how to bomb and murder the democratically elected president, or how to increase the farce of the elections in which the loser always wins--aside from all considerations that we may have about this meeting of death pacts, it is very significant since it is further proof of the failure and defeat of the genocidal junta in the eyes of the people of El Salvador.

While official spokesmen of the U.S. Government recognize the total inability of the junta to control the nation, both politically and militarily, and say they need some 75 additional helicopters and some 200 additional advisers to try to do something; while international Christian Democracy is increasingly cautious toward the aid offered to the junta since it has only resulted in discredit and political pressure; and while the democratic governments of the world exert more and more pressure for a political solution to the conflict, the assassin colonels must resort to their natural allies of the continent: the dictators, the genocides.

Pinochet is the living image of what is antidemocratic and unpopular. Things that the people of the world believe are unheard of, the Salvadorans take as everyday events. But it is yet another gross political mistake to go out and to openly talk with the hideous image of antidemocracy, such as Pinochet, when the junta is desperately trying to fake a democratic image in the eyes of the world.

It seems that the huge aid of bombs, helicopters and advisers that U.S. imperialism has given them is not enough. It seems that they are convinced that the political support which Reagan and Haig offer, white papers and all, is not effective. And today, without hiding and to the concern of Duarte and Morales Ehrlich and Christian Democracy, it is Pinochet and the other dictators of America who represent the final nail in the political coffin of the junta.

In addition, Abdul Gutierrez appears to have forgotten that while he drinks the wine of treason with Chile's genocide, here in the national army, there are still many soldiers, officers and men who will never sign pacts with traitors and genocides like Pinochet and who know that there is a possibility for a political solution to the conflict in order to end the death and repression of our people, a solution that will channel the nation toward the achievements of democracy, peace and the economic solutions we need.

Today, more than ever, the patriotic soldiers are organizing themselves and preparing to set up the new Salvadoran army, the new amry that will put an end to the treason and fratricide which the assassin colonels have unleashed against the nation.

BUS OWNERS CALL FOR TRANSPORTATION STRIKE

PA292240 San Salvador EL MUNDO in Spanish 28 May 81 p 1

[Text] The Salvadoran Bus Owners Association [AEAS] held a general meeting today to discuss transportation problems. At the end of the meeting, AEAS decided to call an indefinite strike beginning next Monday.

According the an AEAS official communique, the strike was called because the government has not solved transportation problems. AEAS says that "the government intends to destroy the bus owners organization."

AEAS has asked the armed forces "not to try to force the bus owners to send their buses to the streets and to realize that this is a labor problem that has nothing to do with politics." AEAS also asked the government "not to try to use repression to solve the problem. Instead it should try to find democratic solutions to the situation."

Minister Urges Mediation

PA301637 San Salvador Domestic Service in Spanish 0300 GMT 30 May 81

[Speech by Foreign Trade Minister Guillermo Diaz Salazar, acting economy minister, in San Salvador--live or recorded]

[Excerpts] Good evening, Salvadoran brothers. I have the pleasure of coming into your homes tonight to discuss a problem that is becoming somewhat serious at this time. It is the problem of transportation.

For some time at the level of the Economy Ministry and of the government of the republic, we have been aware of the economic burden of the cost of transportation for the users who live in the San Salvador metropolitan area. They have to go to work every day at a cost that is high and that might become even higher if the situation is not resolved some way.

The situation is difficult both for the bus companies and for the government. On one hand, we know that the economic situation of the users is difficult. They have been suffering increases in the costs of almost everything they purchase. On the other hand, it is obvious that the transportation companies have sustained equipment losses and are suffering the hardship of operating an enterprise at very high costs that are increasing, while the revenue from fares remains fixed.

There are a number of alternatives in this situation. Many of them have been presented by the bus owners, who have made specific demands for higher fares and for an increase in the incentives that the government grants them, such as facilities for importing spare parts. Nevertheless, the government has always tried to mediate in such a way that efforts will be made to help the companies, but without hurting the workers who use the buses.

In this situation, the government has sought remedies for the companies' economic problem. One of them is the [word indistinct] of expenses. Another is a subsidy for the price of fuel. However, according to the bus owners, their companies' situation is too difficult and serious to be resolved with these remedies. In addition to their local costs, we also have the fact that the price of petroleum increased last year and early this year. This has a big effect on the cost of operating a fleet of buses.

This situation has led partly to the economic desperation of some transportation organizations, which have decided to issue an ultimatum to the government despite all the problems that this situation brings to the companies issuing it [words indistinct] very serious for them. On the other hand, we have seen in today's newspapers that private enterprise, through some of its institutions and organizations, has offered to be mediator to reach a solution.

The Economy Ministry and the Salvadoran Government hope that private enterprise will carry out its offer to mediate in this situation and will help us solve the difficult problem of transportation and that the bus owners, who have issued the ultimatum, will decide to wait for the recommendations of private enterprise and the recommendations analyzed and discussed around a negotiating table so that this case will be resolved. Meanwhile, we hope that the bus owners will promise not to take measures that could bring about a break in the negotiations or the relations that exist between these companies and the Economy Ministry and the government.

The objective of this message is to stress that perhaps we need a little more calm and a more general overview of the situation at this time when all the interested parties, the [name indistinct] and the government in an effort to protect the consumers, have been discussing this serious problem. I think it is very natural for this government to take advantage of the offer of people who are willing to participate in this discussion and mediate and coldly analyze the facts. Therefore (?we hope) that this mediation will begin at this time first by getting in touch with the bus companies and then by meeting and discussing the problems so we can subsequently reach a calm and peaceful solution that will benefit the Salvadoran people. Thank you very much.

Duarte Promises Normal Service

PA312225 Panama City ACAN in Spanish 2018 GMT 31 May 81

[Text] San Salvador, 31 May (ACAN-EFE)--President Jose Napoleon Duarte today told ACAN-EFE that the Salvadoran Government will assure the continuation of public transportation despite the Salvadoran Bus Owners Association (AEAS) call for a strike on Monday.

AEAS announced last week that they would go on an indefinite strike beginning 1 June if the government did not lower the price of fuel and spare parts and if they were not allowed to increase fares (from $0.06 to $0.12).

In view of the AEAS decision, representatives of Salvadoran private enterprise offered to mediate in the conflict between the bus owners and the government.

If the buses were not to run, fewer workers would get to the factories, businesses and other job sites because it is mainly the bus service that connects the population centers with the job sites.

On Friday the economy minister rejected the bus owners' requests, and AEAS reiterated its call for an indefinite strike for Monday.

Nevertheless, the government, through President Duarte, has now promised that the workers will be able to get to work because the government and the armed forces will see that service is normal.

CORRECTION TO STATEMENT ON DRU ANNIVERSARY

The following are corrections to the item entitled "Pichinte Praises People's Unity on DRU Aniversary," published in the 26 May Latin America DAILY REPORT, page P 5:

The first sentence of paragraph three should read: "The advance made by the people and the working class in the country, fighting with all their means in this historical period, has been undeniable," clearing indistinct words and rewording.

The first two lines of paragraph five should read: "In this respect, on behalf of our people, we also greet our revolutionary directorate composed of Companeros Cayetano Carpio, Commander Shafik Handal, commander," clearing indistinct words and rewording.

GUATEMALA

DRAFT TREATY ON BELIZE DRAWN UP; NEXT MEETING SET

PA312129 Paris AFP in Spanish 1734 GMT 31 May 31

[Text] Guatemala City, 31 May (AFP)--Guatemala will recognize the independence of Belize this year in exchange for some concessions, thus ending a century-old territorial dispute, according to what has been learned from the negotiations Guatemala and Great Britain held.

Last week in New York delegates of the two countries and Belizean representatives discussed the 16 points of the bases of understanding to solve the conflict. The process of the independence of Belize will continue to advance as a result of drawing up the preliminary draft of a treaty on this issue.

According to Roberto Herrera, former Guatemalan foreign minister and delegate to the talks in New York, "the talks were cordial and we drew up a draft of a treaty that will be submitted for the consideration of the three governments involved in the dispute."

Nevertheless, Herrera explained that no decision was adopted in New York and the "we only analyzed the bases of understanding."

The Guatemalan Foreign Ministry explained that the negotiations were simply at a technical level.

Despite opposition in both Guatemala and Belize to the terms of the bases of understanding, the governments of the two countries seem willing that the independence of the territory be achieved this year, as the United Nations and the OAS recommended in 1980.

After the resolutions of the United Nations and the OAS, the Guatemalan Government modified its position on Belize radically, to the extent of renouncing its claims over Belize and accepting the independence of the 23,000 square km that make up that British colony.

Guatemalan President Romeo Lucas openly said that "Belize is lost and it is better to have a friend than an enemy as a neighbor."

In such a situation, the road to Belize's independence seems to be increasingly clearer despite the fact that serious problems are expected in Belize, where the opposition has been clear, describing the bases of understanding as a "sellout" because it grants too many concessions to Guatemala.

The next meeting to discuss the treaty will be in London on 15 June. it will be attended by Guatemalan Foreign Minister Rafael Castillo, Belizean Premier George Price and Nicholas Ridley, minister of state in the British Foreign Office.

If the treaty is concluded on the basis of the 16 bases of understanding which the three governments signed on 11 March, Guatemala would recognize the independence of Belize in exchange for the use of Belizean ports, the "use and benefit" of two cays in the Caribbean and a continental shelf that would permit it to have a natural outlet to the Caribbean.

PRESIDENT ON U.S. SPARE PARTS, PARTY CANDIDATES

PA291857 Guatemala City Radio-Television Guatemala in Spanish 0400 GMT 29 May 81

[Text] President Romeo Lucas said today that the United States is obliged to sell us spare parts for the helicopters they sold us years ago.

The president added: As Guatemalan, head of state, I do not accept conditions of any kind on the part of the United States to sell us spare parts for the helicopters.

The president emphasized that we are not asking for anything free since we pay cash. Any kind of aid could be considered interference and the Guatemalan people and government would not allow interference in its domestic affairs.

Lucas said that Guatemala is seeking permission for the sale of spare parts for U.S.-made planes and helicopters. He also revealed that in the past few years, they were being bought under the table, but at higher prices because of the cuts taken by the middlemen, according to his own words.

President Lucas said today that he is not backing any specific candidate for the forthcoming presidential elections:

[Begin recording] [Question] Does your government have any candidate?

[Answer] For the time being, no. it is the parties that have to nominate their candidates. I understand the political parties are holding meetings to establish (?a common candidate) to face the other two candidates already nominated. [end recording]

DEPUTY OBJECTS TO U.S. TREATMENT OF LOCAL PROBLEMS

PA292141 Guatemala City Radio Nuevo Mundo in Spanish 1200 GMT 29 May 81

[Text] Deputy Roberto Alejos of the Blue and White congressional bloc said that it makes him angry to see how the U.S. State Department treats Guatemala's problems, as though it were a farm.

According to press reports, Roberto Alejos said: They leave us no possibility of participating in a debate and they place conditions on whatever they want, without allowing the government or its delegates to explain the nation's true situation.

Deputy Roberto Alejos said that we Guatemalans are to blame for this situation because there have been times when the politicains themselves have gone to the State Department to give detailed reports about the nation's problems. Without going back very far, we have the example of the intervention of 1954, he added.

We are aware that Guatemala has grave social and economic problems, but we should be the ones to resolve them and those nations that wish to help us solve them should do so without conditions of any kind, he said.

We are convinced that social changes are urgently needed in Guatemala, Roberto Alejos said. But others, no matter how developed and powerful, should not come and tell us how to face them and even less to set conditions on the help they wish to offer, Roberto Alejos concluded.

Deputy Roberto Alejos said that he has viewed with much sadness how presidential candidates have not been able or have not wanted to outline the nation's true problems and have limited themselves to defining their position on violence or on the nation's economic situation.

As a politician, Roberto Alejos said, I believe I have the right to urge the presidential candidates to outline the nation's problems in a truly responsible way, outlining possible solutions for each one. Politicians must announce social programs and say how people are going to benefit from them, especially with regard to improving the living standards of the Guatemalan people. Politicians must also explain how people will have access to culture and give their views regarding the University of San Carlos, which is suffering from serious internal and external problems, especially economic ones. But primarily, the politicians must explain their views on education problems. A nation lacking education and culture has no access to anything if it is not ready to participate in the dynamics that move nations, he concluded.

FUEL PRICES STEADY; GUERRILLAS AFFECT FLOW OF OIL

PA291924 Guatemala City Radio Nuevo Mundo in Spanish 1200 GMT 29 May 81

[Text] For the time being, no increase or decrease in the price of fuel is being considered, said Jorge Luis Monzon, secretary of mining and hydrocarbons. He added that the price of petroleum byproducts will remain unchanged for some time.

Replying to a question, he said that the next shipment of petroleum, 130,000 barrels of oil, will be dispatched in 1 month as it has been in the past.

The flow of oil has diminished because of terrorist attacks against the Rubelsanto oil wells, but this will be normalized within a few days, he added.

Concluding, Jorge Luiz Monzon reported that mining and hydrocarbons authorities are exercising controls over the quality of fuel to prevent them from being mixed with other liquids, which on many occasions cause problems for vehicles.

LABOR PARTY ANNOUNCES CREATION OF PEOPLE'S ARMY

PA312109 Paris AFP in Spanish 1649 GMT 31 May 81

[Text] Mexico City, 31 May (AFP)--Daniel Rios, member of the Central Committee of the Guatemalan Labor Party (PGT), an old communist group, announced to the press here today that "a people's" revolutionary army," made up of most PGT members, has been created.

Rios described the military participation of the PGT in the political violence in Guatemala as "a tactical shift."

According to Rios, the people's revolutionary army will be made up of other leftist organizations such as the People's Guerrilla Army, the Armed People's Revolutionary Organization and the Rebel Armed Forces.

He admitted that there was a delay in adopting this "tactical shift" and reported that as compensation for this delay great efforts will be made to bring new sectors of the people into what he called the "revolutionary war."

Rios disclosed that the PGT has already drafted a program of demands which include:

--Respect for human rights, particularly the right to live and work.

--The right to organize in peasant, labor and popular groups.

--A general salary increase and the establishment of a policy against the high cost of living.

--Implementation of an effective agrarian reform.

--A halting of terrorist repression by the Guatemalan Government.

According to Rios, it has been confirmed that in Guatemala "there can be no other road than the armed revolutionary struggle in order to obtain urgent changes needed by the country."

He stressed that "the guerrilla movement is becoming stronger in important peasant sectors, and particularly among the Indian laborers."

The path the guerrilla struggle will take in Guatemala is different from the guerrilla plan observed during the 1960's because, according to Rios, the present goal is supported by "a more firm and massive social base."

Referring to his political group, the PGT spokesman told the press: "Although we are involved in intense work organizing the masses and increasing their political awareness, we experienced a setback in our military work because of ideological weaknesses and other factors."

Rios said that "the united and militant struggle of all the antifacist sectors will be strengthened through the tactic of resistance" in order to overcome this drawback.

He added that "intelligence and counterintelligence tasks will be increased and specialized clandestine groups and a military force directed by the PGT will be developed."

EGP TO MOUNT MORE ATTACKS AGAINST OIL COMPANIES

PA300442 Havana International Service in Spanish 0000 GMT 30 May 81

[Text] The People's Guerrilla Army [EGP] of Guatemala is staging a number of military operations against the companies that are extracting resources from the Guatemalan subsoil in the northern part of that Central American country.

A communique issued by the organization states that these actions are designed to serve as a warning to the companies which not only aid the Guatemalan Army by providing it with funds and information, but also supply it with helicopters and other means of transportation with which to repress the people and their organizations.

The communique also notes that recently the EGP attacked the installations of several oil companies in the areas of Rubelsanto, Tinajas and Alta Verapaz.

LEFTIST GROUPS BURN BUSES, RELEASE COMMUNIQUES

PA310315 Paris AFP in Spanish 1646 GMT 30 May 81

[Excerpts] Guatemala City, 30 May (AFP)--Police confirmed today that alleged leftist extremists burned two small buses last night in the western part of the capital.

A group of heavily armed unidentified men intervepted the two buses, which could seat 30 persons each, in the downtown area and led them toward the western part of the capital where, after making the passengers get out, they set fire to them.

The army intervened quickly, but when its units arrived at the site of the incident, the attackers had already fled without being identified. It is presumed, however, that they were militants of some leftist organization.

Meanwhile, the 31 January People's Front and the Popular Action Groups today released several communiques reporting a number of operations carried out by their commands in the past few days to "commemorate the Panzos massacre." In those communiques, the leftist organizations indicate that the memory of the peasant slaughter in Panzos 2 years ago, for which the army is blamed, "remains alive among the Guatemalan people's movements."

NICARAGUA

WHEELOCK CRITICIZES U.S. POLICY AS 'AGGRESSIVE'

PA291829 Managua Radio Sandino in Spanish 1200 GMT 29 May 81

[Text] Nicaraguans are being pressured and the new U.S. administration's policy and its warmongering practices are causing tension in the world. Commander of the Revolution Jaime Wheelock told more than 2,000 canecutters of the Javier Guerra mill, who ended the 1980-81 harvest yesterday. Our revolution, the minister of agriculture and livestock development said, is being pressured because we coexist with hawkish, fascist regimes. Here is an excerpt of Commander Wheelocks's speech.

[Begin recording] Broaching some problems related to the current situation, problems related to production and productivity, [words indistinct] even to the revolution. Nicaraguans and Central America. And that is because we are experiencing times of great tension in the world. A warmongering, aggressive, big-power policy is being promoted by Ronald Reagan's administration. This has affected us in some way but it must be borne in mind that there is tension in the Middle East right now, in Africa where nations are alarmed over threats by the U.S. Government, in Asia where nations have been struggling for liberation and decolonization, and in Latin America.

Perhaps Latin America is more alarmed than any other part of the world because, through some unfortunate incident that we are not going to go into right now, the oppression, exploitation and the aggressive influence of the United States are felt much more. It would seem, from what we have heard, that Africa is not so badly off from the standpoint of national sentiment, but that even moderate and rightwing governments are being established. In Asia, too, there is at least some advancement and there is not so much pressure amid difficulties such as those we are experiencing because we are subject to pressure while at the same time coexisting with hawkish, fascist regimes. What a terrible, unfortunate, dramatic destiny is that of Latin America, to be ruled by military, fascist regimes which kill the people.

[Words indistinct] our borders, workers and children continue to be killed. Workers cannot live in peace because fascists enter their homes and kill women, children and the elderly. They kill the whole family.

The same thing that has been happening in the last 2 or 3 years--genocide--is being experienced in El Salvador and Guatemala. This is also being experienced in the south. Some say Latin America is more advanced and developed but [words indistinct] that this alleged development is profitting the brutal regimes guiding it. [end recording]

OFFICIAL OPPOSES 'MINI-MARSHALL PLAN' FOR REGION

PA291920 Paris AFP in Spanish 2248 GMT 28 May 81

[Text] Foreign Ministry spokesman Eligio Alvarez affirmed here today that the Nicaraguan Government rejects the proposal to establish a "mini-Marshal Plan" for Central America because it considers it to be "an aggression and an attempt to neutralize the Sandinist revolution."

Alvarez also accused the United States of trying "to block the struggles of the revolutionary companeros of Guatemala and El Salvador as well as the struggle of the peoples of Grenada and Panama with this new aggressive plan."

The U.S. and FRG Governments are currently considering the possibility of establishing a mini-Marshall Plan in this area which would consist of millions in financial aid to the Central American countries to help them become more solvent, which would help them solve their current socioecoromic problems.

Although Alvarez pointed out that his statement was official, the diplomatic spokesman said that the opinion of the ranking Nicaraguan officials in this respect would be hard to obtain.

Alvarez said that in 1959 [date as received] when the Cuban revolution prevailed, the U.S. Government, headed by John Kennedy, made up the Alliance for Progress program "to try to stop the advancement of the revolution in Cuba."

The official added that the outcome of that continental plan "was that many rulers stole large amounts of the money and that the people never benefited from it."

"Now," he affirmed, "this mini-Marshall Plan, which is endorsed by German Foreign Minister [as received] Helmut Schmidt, seeks to stop the advancement of the Nicaraguan revolution."

Alvarez predicted that the United States would try to involve Mexico and Venezuela in its plans, and he added that we can count on Venezuela's acceptance, but that it is doubtful that Mexico will accept because Mexican international policy is well known.

The official insisted that the U.S. project is not only trying to neutralize the Sandinist revolution but that it is also trying to neutralize the popular struggles being waged in El Salvador, Guatemala and other countries of the Central America and Caribbean areas; therefore, Nicaragua rejects the proposal.

COMMENTATOR ANALYZES FRIENDS, ENEMIES OF COUNTRY

PA010354 Managua EL NUEVO DIARIO in Spanish 25 May 81 p 2

[Article by Sergey Svistunov: "Friends and Enemies of the Nicaraguan Revolution"]

[Text] It seems that so far the White House does not want to accept the idea that the world changes as time passes. Washington does not want to give up its habit of deciding the destiny of the peoples of Central America, which it continues to view as its "backyard." The campaign of pressure, slander and provocations against revolutionary Nicaragua shows that the new U.S. administration continues to be faithful to the old methods of applying its foreign policy in this region.

The United States uses a vast arsenal of methods to apply economic and political pressure on Nicaragua, threatening it with intervention as if this were not 1981 but instead, for example, 1954 or 1965 when the U.S. Marines "overthrew" the progressive government of Jacobo Arbenz in Guatemala or "brought order" to the Dominican Republic. Using "documents" hurriedly fabricated by the CIA which allegedly prove that Nicaragua supplies weapons to the Salvadoran patriots, the White House has undertaken one hostile action after another: It cancelled the granting of the credits and it refuses to fulfill contracts dealing with the allocation of money Nicaragua needs to buy wheat. In sum, it seeks to crush the Nicaraguan revolution through crisis and hunger.

The Pentagon generals prepare for the armed intervention of Nicaragua by attracting the troops of Honduras and Guatemala as well as detachments of the Somozists who train under the direction of U.S. military instructors in U.S. territory and in Honduran territory near the northern borders of Nicaragua.

There are also attempts to form a "revolutionary government in exile" which seeks to create an alternative to the Sandinist revolutionary government that reached power as a result of a national insurrection and was supported by vast sectors of the population. The "government in exile" and the counterrevolutionary groups that have taken refuge in the United States and Nicaragua's neighboring countries are made up of henchmen and business partners of Somoza and officers of the national guard, which has the sad fame of being a gang of killers and rapists. That is why its reputation is not good, if one can speak of any reputation at all. The New York TIMES had to admit: "Most Nicaraguans connect these emigrants with the hateful Somoza regime and that is why they would resist aggression...." Nevertheless, the White House politicians place their hopes on them.

However, times have changed. As the Mexican newspaper EL DIA said in an editorial: "Nothing and no one can give the United States the right to punish Nicaragua in any way and these threats only show a thoughtless and impossible desire to revive the 1950's...."

Nicaragua is not alone in its struggle against the forces of international reaction that seeks to bring this country to its knees.

The progressive public opinion of Latin America and the democratic governments of many countries support the Nicaraguan people.

A brilliant example of the support and solidarity with the struggle of the Nicaraguan people is seen in the short but broad history of relations between Mexico and new Nicaragua. Mexico has been a sincere and sure friend of the Nicaraguans. Thanks to the efforts of that country in the diplomatic sphere, the threat of foreign intervention in Nicaragua was averted when the country struggled against the bloody dictatorship of Somoza. After the victory of the progressive forces, Mexico granted Nicaragua considerable financial aid and supplies a lot of petroleum, wheat, other raw materials and food.

The firm and decisive policy of the Mexican Government in support of Nicaragua in the face of foreign attacks was reiterated during the recent visit to Mexico of Daniel Ortega, member of the National Directorate of the Sandinist National Liberation Front and coordinator of the National Reconstruction Government junta. "Mexico will defend Nicaragua as it would defend its fatherland in the face of any aggression...," President Jose Lopez Portillo said. He again condemned the hostile campaign unleashed by the United States against Nicaragua and the open subversive activity that seeks to overthrow the Sandinist government and crush the Nicaraguan revolution.

BORGE SCORES EFFORTS TO GAIN GUARDMEN'S RELEASE

PA292215 Managua Radio Sandino in Spanish 0049 GMT 29 May 81

[Speech by Interior Minister Tomas Borge at meeting in Eduardo Contreras Community Center in Managua at which Joan Baez is present--live]

[Excerpts] Most of our youth are on the side of the revolution. There must be minority groups which are not on the side of the revolution. Which are they? [someone in the crowd shouts, "The Mdn".] Those who were deranged by the desire for luxury, the easy life, the fat inheritance. However, those who endured self-sacrifice in the mountains teaching the peasants how to read and write, those who did the sweating, those who endured the [word indistinct] in the mountains--those must indeed be on the side of the revolution. [applause] However, the pretty boys, the snobbish boys [applause, hoots] those who smoke marijuana, [applause] those who exist to satiate their childish [word indistinct] appetites, mama's spoiled brats, those who have no calluses on their hands, [applause, shouts, hooting] those who have calluses in their hearts, cannot be on the side of their people or the revolution. [applause]

However, many youths from well-to-do families are on the side of the revolution. We even know of some who spilled their generous blood. We know the history of the great Sandinist fighter [name indistinct], who forsook the comforts and luxuries offered to him at home an took off for the mountains to fight alongside the workers and the peasants. [applause, shouts]

Many of those youths can be attracted by the revolution precisely because they are young. However, there are those who try to lead our young people toward the wrong paths, toward counterrevolutionary activities and toward treason to the fatherland. Some criminals are trying to divert our youth by preaching selfish and individualistic values, or by trying to take advantage of our people's religious feelings by trying to show that there is no religious freedom in Nicaragua. They opposed the literacy campaign and now they oppose the recruitment of our youth into the Sandinist People's Militias. There are those who are opposed to the landscaping work [urbanizacion] in our cities and criminally and cowardly pull out the seeds planted by our youths. Our entire people must be vigilant enough to keep those criminals who pull out the seeds planted by our youths from [words indistinct]. The Sandinist police and the mass organizations must put those cowardly criminals in their place.

However, reaction ran out of ink with the religious propaganda. The reactionaries tried to show that the revolution is against Christians. Christians themselves have shown that revolution and Christianity are working hand in hand in this country to achieve a true and profound revolutionary transformation. [applause]

However, since this did not work, what are they doing now? What are the [word indistinct] of reaction doing? They are now defending the national guardsmen, doing nothing less than that. [hooting, shouts] They say those poor souls must be pitied. They now hint that the guardsmen were not evil murderers, thieves, torturers or rapists and that, therefore, we must set them free. [hooting]

They know something else: that the only ones who can form a counterrevolutionary army here are the national guardsmen. Not bychance are they making plans to liberate the prisoners in Tipitapa and the free zone. This is not mere chance. The Nicaraguan revolution succeeded because we were able to stamp out, or to disband, the national guard forever. They know only too well that the destruction of the coercive bodies of the ruling classes spelled victory for the revolution and that it would be necessary to [word indistinct] the national guard once more to seize power again, to turn the clock back in this country, to allow reaction to reign again and to restore imperialist domination. That is why they are asking for the release of the former national guardsmen.

Would this not be, perchance, a bloody mockery of the mothers, of the children and the wives of our people whose children, husbands, wives, brothers and [word indistinct] are now buried because they were murdered by national guardsmen?

We must recall once more that those men who are in jail are murderers, torturers, thieves and rapists. [shouts, applause]

This newspaper [not further indentified] has completely taken off its mask. For several days we have been watching this newspaper defend the guardsmen with curiosity. Do you remember on what date the national guard celebrated its day? [shouts] They are still celebrating it and I will show you. Do you remember that 27 May was Army Day, the National Guard Day? [crowd shouts, "yes"]

I will now show you LA PRENSA's issue of 27 May. [shouts] The entire editorial page is devoted to defending the guardsmen on 27 May, National Guard Day. [shouts, hooting] Attacks against the special courts. [as heard] They say there were not many special courts. They make an appeal for pardon. They want us to set the guardsmen free. [shouts, hooting]

A gentleman, [shouts] well, the name of the gentleman who wrote the article is not here. It is entitled "In Face of (?Marcio) Vargas' Attack for Pleading in Favor of Jailed National Guardsmen." This gentleman says: I do not know what Vargas calls a generous revolution, because those who actually ordered these people--the guardsmen, they mean--to torture, slaughter and fill Nicaragua with grief are already in Miami. Many of the truly genocidal people who fled like scared rats can be found in Guatemala and Honduras. The ones who are here are holy doves! [shouts]

What do they want to persuade us to do now that their propaganda stunt about our revolution being against religion has failed? Now they are trying to persuade the relatives of Somozists that both the reaction abroad and local ideological pressures will set the national guardsmen free. I ask our people: Do you agree that we must set them free? [shouts. Crowd says no and chants, "To the wall, to the wall."]

Yet, the [word indistinct] revolution has released hundreds of guardsmen, who have unfortunately become outlaws and criminals, thieves and murderers. With what [word indistinct]? What is our duty? [shouts] What is our duty? To execute them? [shouts] What were they but human beasts? What is our duty? [shouts] To turn them into men. [shouts, applause] To turn them into human beings and to transform their consciences and their hearts. [shouts] It is not this revolution's philosophy to destroy its enemies. This revolution's philosophy advocates transforming even our enemies. [applause]

JUNTA MEMBERS COMMENT ON SOCIAL SERVICES, PROBLEMS

PA301905 Managua Domestic Service in Spanish 0000 GMT 30 May 81

["Face the People," with government junta members Sergio Ramirez Mercado and Rafael Cordova Rivas and government officials meeting with Sandinist Defense Committees in the square in front of government house in Managua--live]

[Excerpts] [Question] Good evening, companeros. My name is Osvaldo Vaca, member of the Neighborhood Committee of Ciudad Sandino. With a population of 80,000, it is Nicaragua's biggest neighborhood. I am also a representative of the Sandinist Defense Committee [CDS] for Zone 4, which has a population of 10,000. My question is about the problem of staple foods. For several days in Ciudad Sandino we haven't seen meat, chicken or fish; the situation there is critical.

I also wanted to tell the government junta and the National Directorate that we are aware that this revolution was and is led by our Sandinist Front to liberate our people, the worker and peasant class.

We are represented in the State Council and the revolutionary government. We are organized in the CDS, the people's militias, and the reserve battalions. Therefore, why have we been left in this situation? I don't know if it is due to negligence or if there's a need for more work by the government. Some people are exploiting us and they are doing business with the people's hunger. The prices of staple foods are increasing every day. I ask any members of the junta, the ministers or any official if they maintain a home and six children on 400 cordobas a week?

[Answer[[(?Ramirez)] The companero has touched on an essential problem that goes beyond one of supply. However, we must view it as he has presented it. We are aware that the revolutionary war was waged essentially by the poor. They were the ones who picked up weapons when the Sandinist Front issued the call to arms. The revolution awakened among the poor people a number of expectations for a radical change in their lives.

Only those who have been left behind by the train of history think that those who picked up arms did so merely for the sake of an abstract concept of freedom and elections. The war was waged against Somozism. Somozism maintained a system of oppression, which was mainly economic and social. That oppression meant misery, hunger, unemployment and many other things that the Nicaraguan people were fully aware of.

All of us who in some way participated in the process to overthrow the dictatorship had hopes for an immediate change. We had dreams of deep changes that could be made overnight, but reality is showing us that building a revolutionary process and a country is a hard, slow and difficult task, particularly under the conditions faced by this country. We all know that the only thing Somozism left us was debts, and that to overthrow the dictatorship we had to abandon the crops and close the factories. The dictatorship bombed the factories before it left so we could be left worse off.

After the victory we faced big problems. In August 1979 we had a 22, a 25, a 32 percent unemployment rate in the country. There are still people who don't have any jobs. The companero spoke about how difficult it is to maintain a home on 400 cordobas a week. However, there are some who can't support their homes at all because they don't have jobs. The revolution is fully aware of this.

The first thing that must be stressed is that the efforts of the revolutionary government are directed towards solving the problems of the poorer sectors of the country. This is something that should be clear. This is a revolutionary and popular government and that is its main objective. Now then, we cannot see the immediate fruits of that objective as much as we would like.

Here in Managua we have the problem of the seizure of lands. It is the problem of people who have settled in the (Rudena) and the San Jacinto neighborhoods. These people take over a plot of land and build shanties because they have nowhere to live. We honestly don't have an answer for this problem. We don't have an answer for this problem because in Nicaragua we have a shortage of 300,000 houses. This is not a problem that the revolution created; we inherited it from the dictatorship. Therefore, we can't tell those companeros: Wait, in a month we will begin to build 20,000-30,000 houses in Managua and your problem will be solved. The construction of 20,000-30,000 houses depends on production. It depends on how much we are going to be able to produce and on the employment level in the country.

Therefore, the companero's statement is very important for those who criticize the revolution, who say the revolution has not kept its word, who say the revolution's initial program has been sidetracked. We saw in a newspaper that is not very friendly to the revolution a front-page photo of a mother living with her children in Managua's ruins because she doesn't have a home. That is really a provocation by people who aren't willing to accept the ultimate consequences which the revolution is willing to reach with its people.

We are working here with a very difficult system which is a system of a mixed economy. We respect the participation of private businessmen.

We aren't asking many private businessmen about their conduct prior to the revolution during Somozist times. We are simply asking them to produce. It is true that the property of many openly Somozist businessmen was expropriated. However, it is also true that there are some mixed enterprises here in which the state is a partner with people who were partners of Somoza and whom we didn't touch. We didn't touch them because the revolution has a strategy of producing more, of increasing production. So those types of provocations against the revolution by those sectors are dangerous.

Therefore we are honest in telling the companero that he is right. We are aware of the difficulties in supporting a family with the low wages of a worker. We are giving the only reply that we can give at this time.

It was said here that health care is completely free. It is not true that since it is free it is also efficient. We know that there is still much to be done in the area of health. We don't have the best hospitals in the world. We don't have sufficient doctors to take care of the population.

However, there are specific things that we do to improve the low wages of the workers. For example, this is the case in transportation. You know that transportation here is bad and we don't have the material resources necessary to improve transportation as much as we would like. However, you pay very little for transportation. Bus fare here is 1 cordoba. Nowhere else in the world does bus fare cost only 1 cordoba. When we buy beans abroad to cover the shortage until the domestic harvest is in, we buy the beans at 6 cordobas a pound. But those beans are not sold at 6 cordobas a pound. The same could be said about the rice and corn we import. So the answers that the revolutionary government gives are small and modest ones, but they are honest answers because this is a government that is on the side of the workers and is willing to go to the end with the workers and to assume jointly with the workers all the difficulties that might arise. [applause]

DANIEL ORTEGA ON SECTOR'S MANIPULATION OF RELIGION

PA311239 Managua BARRICADA in Spanish 25 May 81 p 12

[Text] More than 100 students from various high schools in the capital were promoted to militant status yesterday in the 19 July Sandinist Youth Movement [JS-19 J] as a tribute to the memory of Commander German Pomares Ordonez (El Danto).

The ceremony was attended by Daniel Ortega, Commander of the Revolution and coordinator of the Junta of the Government of National Reconstruction, who said that to become militants in the JS-19 J is to assume Commander Pomares' responsibility in his struggle against tyranny.

He then referred to the campaigns certain sectors aimed at confusing the people and manipulating religion. According to Commander Ortega, they frequently announce that "Christ is coming," as if Christ had not been with Gaspar Garcia Laviana and the Nicaraguan people in their struggle.

"When they announce the arrival of Christ, they are really announcing the arrival of the counterrevolution," Ortega warned, while expressing the Nicaraguan people's will to receive the counterrevolution in order to annihilate it.

If Nicaragua's capitalists spoke frankly about their pretensions--such as wanting to become even wealthier, wanting to continue exploiting the workers and yearning for the Somozist regime--they would be repudiated by the people, Commander Ortega said.

The Sandinist leader stressed the JS-19 J militants' need to be aware of the fact that the struggle is becoming difficult because it is being waged against four centuries of exploitation and domination.

He then recalled how in one of his works, General Sandino protested the un-Christian attitude adopted by a priest during the days of U.S. intervention. This priest preached that this intervention was all right and that Sandino and his peasants were bandits.

Further on Ortega said that they had heard about certain bishops and priests who sanctified the tyranny and used religion as an instrument of domination in order to justify the exploitation of the people by the powerful.

Commenting on the propaganda media of courgeoisie and imperialism, which resort to slanders and lies against the people and the revolution, he said that the only alternative left was to fight them with the revolutionary truth.

Commander Ortega said in conclusion that the struggle in Nicaragua will take years, but that the final victory will belong to the people.

The promotion of militants was held at the Alesio Blandon Teachers' School in this capital. Lesli Castro, a member of the departmental JS-19 J executive leadership, and Cecilia Solorzano were also in attendance.

FORUM TO BEGIN 6 JUNE; PREPARATIONS NEAR COMPLETION

PA291227 Managua Radio Sandino in Spanish 0300 GMT 29 May 81

[Text] The forum for the discussion of national problems will be opened on Saturday 6 June. The forces of the revolution and those that support it, but disagree with the way it is being conducted, will participate. Companero Nathan Sevilla, delegate of the Sandinist National Liberation Front to the forum, made the above announcement, adding that only the topics to be discussed at the forum are still pending. He explained that we have proposed five topics dealing with labor, union, juridical, economic and political matters, but that the non-Sandinist organizations must accept them or propose other topics.

According to Companero Sevilla, the rules have been approved by both sides and only small details are still pending.

As previously announced, each delegation will comprise seven members, three of whom will be permanent. The revolutionary forces' delegates to the forum will be Carlos Nunez, Commander of the Revolution and president of the State Council; Gustavo Tablada and Nathan Sevilla. The non-Sandinist organizations have not yet appointed their permanent delegates.

According to Companero Sevilla, the forum's sessions will be held on Saturdays and Sundays. A meeting will be held on Thursdays to evaluate the meetings and to sign agreements.

According to the rules, those institutions that can contribute their views on national problems may be invited to the forum by mutual agreement.

Everything is just about ready for the opening of the forum on 6 June. The only thing pending is the selection of the place where the forum is to be held and the appointment of the moderator of the debates.

NUNEZ FIELDS QUESTIONS ON FORUM, PRESS, CRITICISM

PA291837 Managua Radio Sandino in Spanish 0200 GMT 29 May 81

["Direct Line" phone-in program with Commander of the Revolution Carlos Nunez Tellez, president of the State Council, with unidentified moderators--live]

[Excerpts] [Question] This is Francisco Martinez from Matagalpa. Companero Carlos Nunez, my question is as follows: Why isn't Nicaragua decreed a socialist state?

[Answer] This is easy, Companero Francisco Martinez. The Nicaraguan people and especially the companeros who think like you must understand the clear guidelines of the revolution. In addition, regarding the socialist state, this cannot be decreed simply because the socialist state is an economic, political and social system. In any case, if there are Nicaraguans like you in our country who opt for socialism, the opportune moment will come when the conscientious people will decide the path to be taken. At this time, every effort of the Sandinist National Liberation Front [FSLN], the mass organizations and the country's sectors are determined to wage their second war which is the country's reconstruction, a task we have begun and which must still be completed.

[Question] This is (Anel) Serracin Mejivar of The Morazan neighborhood, No 55. Commander Carlos Nunez, it seems that with the holding of the forum of national problems, in which the revolutionary forces and the opposition will participate, an organization parallel to the State Council is being created. What is your opinion about this since the orgnization that is recognized nationally is the State Council? Thank you, Commander.

[Answer] Companero Mejivar, I want to stress to our people through you that the first thing that we proposed--when I say we, I mean the FSLN, the Liberal Independent Party, the People's Social Christian Party, the Communist Party and the Popular Action Party--was to admit that there is a national problem. We have rejected the idea that we have a crisis but accepted the existence of a national problem. We have conceded that we must combine and discuss the various proposals and problems and seek points of agreement to have sufficient groundwork so that all of the country's forces can join in the main task of the revolution in order to strengthen it. We have rejected at all times, and I can tell you that we have agreed with the traditional parties on this, that at no time will the forum replace the state structures. This forum will not be a small state council in which the agreements reached there will be implemented overriding the authority of the state. If we substituted it for the State Council we would be making a great mistake from any viewpoint. A decision of this kind would mean the denial of the growing revolutionary state. Therefore, if at any time such a trend would appear, the various social sectors interested in the forum should be the first to note that the state structures and the State Council are being replaced and from then on the forum on national problems would be invalid and its agreements would be illegal.

[Question] This is Jaime Mendoza Rodriguez from the southern road in Jinotepe. Mr Commander, you have described LA PRENSA as the newspaper of slander. For this reason, I ask: How long will our people and their revolutionary government allow this paper to act in this manner?

[Answer] When I called the newspaper you mentioned the paper of slander before certain local and foreign newsmen gathering at an assembly of world newsmen, I did it to demonstrate several lines of information existing in our country. I also did it according to a right, duty and concern to point out how certain reports are given within the framework of the democratic, pluralist and anti-imperialist regime of our country. These reports reflect the positions of specific political, economic and social sectors.

How long will we permit this? I must tell you that the ideological struggle that is underway in our country implies risks and confrontations.

The very existence of this newspaper as well as that of several radio stations is the categorical reply that our revolution has given at the international level to all its enemies. As long as these radio stations and this newspaper do not break our laws, they will continue to exist. If they violate the law, such as the case of Radio Corporacion, they will be punished. The punishment could be light or harsh; it all depends on how many times the offender has broken the law before. This is my reply: As long as the laws of our country are not violated they will continue to exist. If they violate them, they will be punished.

[Question] My name is Roberto Hernandez and I live in Bello Horizonte. My question is: Much has been said about freedom of the press in Nicaragua. When we read LA PRENSA we find all kinds of information, including direct and indirect attacks against the revolution. I believe that we have freedom of the press but it seems to me that newspapers like EL NUEVO DIARIO and BARRICADA and the Sandinist stations are too biased. They do not criticize that much. I have noticed that some people prefer not to express their complaints in the media that sympathize with the revolution. If this happens, I feel that there is a fear to use the freedom of the press in a constructive way. What would you recommend, commander, and what is your opinion about the line of information of the prorevolution media?

[Answer] I would say that your question is very interesting and excellent. I believe that the BARRICADA and EL NUEVO DIARIO people are listening and will take this into account. I must tell you that we are interested in having a new concept of criticism in our country, precisely what you called constructive criticism. That is, it is not a matter of talking just for the sake of talking, criticizing just to criticize, carrying out yellow journalism, misinforming or carrying out premeditated actions such as the embargo on information including events which are in the hearts of our people. For example, consider the death of Commander German Pomares, El Danto, who was respected by all the people. This death was not and has not been discussed by the media.

Regarding this, we advocate a critical line as long as it comprises the feelings of the masses, processes and channels them, as long as this criticism involves specific solutions, as long as this criticism--reflecting the feelings of the masses--has some effect on the pertinent organizations. We are witnessing an improvement of these limitations which you mention through the activities of organizations such as the Nicaraguan Labor Coordination Organization, the National Union of Farmers and Cattlemen, the Sandinist Defense Committees, and the representatives to the State Council that have been carried out regarding certain specific problems of the country. The issue of basic supplies is a national problem that the entire people are discussing at home as well as at their jobs and they are taking advantage of the media for this. The cases of arrogant attitudes and extravagant lives on the part of certain officials, although isolated cases, which are the concern of our people, are being pointed out by these organizations and their members. They are not only pointing out the cases but are proposing specific solutions and stressing their criticism. This criticism is aimed at expressing these feelings. They are demanding that the radio and television stations and the newspapers express their feelings and demands to their leaders.

AGRICULTURAL ENTERPRISE TO BE FORMED WITH LIBYA

PA291450 Managua Radio Sandino in Spanish 0300 GMT 29 May 81

[Text] A big Libyan-Nicaraguan agricultural industry will begin to operate in Nicaragua as soon as possible. The mixed enterprise was confirmed tonight by (Ibrahim Mohammed Farat), secretary of the People's Committee of the Socialist People's Libya Jamahiriyah office.

The Libyan diplomat made the announcement during a news conference in which the Libyan delegation reported on the serious imperialist threats of aggression against the revolution led by Colonel Al-Qadhdhafi and the tension in the Middle East.

The secretary of the peoples bureau, equivalent to an embassy, said that the installation of the factory forms part of the Libyan people's cooperation agreements with the Nicaraguan revolution. The victory of Nicaragua is our victory. Nicaragua's problems are also problems for the Socialist People's Libya Jamahiriyah. That is why, in accordance with the Libyan revolutionary principles, our aid to Nicaragua is unlimited, the Libyan diplomat said.

The factory which will be a joint Nicaraguan-Libyan capital enterprise will process food from the agricultural and livestock sector. It will be a big source of employment due to the size of the investment. Although the specific amount of the social capital is not known, everything is ready. The Libyan delegation involved in this industry will be arriving in Nicaragua in the next few days. The board of directors will be made up of three Nicaraguans and three Libyans.

OFFICIAL TO ATTEND TARIFF MEETING IN SAN JOSE

PA301402 Managua Radio Sandino in Spanish 0300 GMT 20 May 81

[Text] Nicaragua will participate in the 24th meeting of coordinators of tariff policy to be held in San Jose, Costa Rica. Companero (Asenor) Herrera, responsible for the country's tariff policy, will participate in the final revision of the draft of the Central American tariff and customs system during the 24th meeting of coordinators of tariff policy on 1 to 10 June. The report of the Foreign Trade Ministry indicates that the draft of the tariff law that will be in effect in Central America in the next few years will also be reviewed.

JUNTA APPOINTS DELEGATION TO ILO CONFERENCE

PA270352 Managua Radio Corporacion in Spanish 2300 GMT 26 May 81

[Text] The junta of the Government of National Reconstruction appointed the official delegation that will go to the 67th meeting of the ILO conference in Geneva, Switzerland, which opens on 3 June. The Nicaraguan delegation is composed of Labor Minister Virgilio Godoy Reyes; Alejandro Serrano Caldera, ambassador and permanent representative to the ILO, who is the head of the delegation; Benedicto Meneses Fonseca, Labor Ministry general director; Jaime Pasquier Romero, ambassador and assistant permanent representative to the ILO; and Fran Montenegro de Blandon, Labor Ministry international relations and technical cooperation director.

Alejandro Burgos Romero, secretary of the Higher Council of Private enterprise and Juan Antonio Gonzalez, member of the Sandinist Workers Federation, is representing the workers.

INTERIOR MINISTRY ISSUES NOTE ON LAND TAKEOVERS

PA301320 Managua Radio Sandino in Spanish 0300 GMT 30 May 81

[Text] Aware of its duty to watch over the objectivity of information, and in the face of problems resulting from the illegal seizure of empty lots, which led to the issuance of a resolution by the Urban Emergency Committee of the junta of the Government of National Reconstruction, expressed in a communique released by the Ministry of Settlements and Housing [MINVAH] on 27 May 1981, the Interior Ministry's Information Directorate announces to the media that this news is included in the provisions of article 3, clause k, of the general provisional law on the communications media, with the MINVAH and the junta of the Government of National Reconstruction being the only authorized sources for this type of information.

Managua, 29 May 1981, Interior Ministry

GRENADA

BRIEFS

NEW RADIO TRANSMITTER--St Georges, Grenada, 28 May (CANA)--The construction of Radio Free Grenada's new transmitter station is expected to be completed by the end of July at a cost of 960,000 Eastern Caribbean dollars (one EC dollar: 37 cents U.S.), the Government Information Service reported today. The station is located at Beausejour, about 5 miles north of St Georges on the island's west coast. Work began in January. The transmitter will cost 500,000 (EC) dollars. Radio Free Grenada is now located at Morne Rouge in the tourist development area about 5 miles south of St Georges. The station has a 5-kilowatt shortwave service and a 1-kilowatt service in the mediumwave band. The Beausejour service is expected to be 75 kilowatts in the mediumwave band. [Text] [Bridgetown CANA in English 2201 GMT 28 May 81 FL]

MEDIA WORKERS ASSOCIATION--St Georges, Grenada, 28 May (CANA)--A media workers association has been established in Grenada. The president is Ray Donald of the Government Information Service (GIS), and first vice-president is Don Rojas, editor of the government-owned "FREE WEST INDIAN" (FWI) newspaper. Other members of the executive have been drawn from Radio Free Grenada, GIS and FWI. According to the GIS, the aims of the association are to assist media workers to properly perform their duties and to increase the participation of the workers in building the Grenada revolution. [Bridgetown CANA in English 2243 GMT 28 May 81 FL]

JAMAICA

GOVERNMENT, ROK STUDY JOINT BUSINESS VENTURES

FL261843 Bridgetown CANA in English 1835 GMT 26 May 81

[Text] Kingston, Jamaica 26 May (CANA)--Jamaica and South Korea are now studying a number of joint venture business possibilities, Industry and Commerce Minister Douglas Vaz has said here. His statement followed a trip to Korea at the head of a Jamaican business team.

He said that Jamaica was now assessing its most urgently needed raw materials and capital goods that can be purchased from Korea under a 5-million dollar (U.S.) line of credit provided by that country. The line of credit was first offered to Jamaica in 1979, mainly for the purchase of consumer goods.

Mr Vaz said, however, that his Jamaica Labor Party administration, which came to power last October, had succeeded in getting the South Koreans to widen the agreement to include raw materials and capital goods.

Mr Vaz said he was now evaluating the result of his South Korean trip. He said, however, that a number of "promising joint ventures" had been identified. In the meantime, an exhibition put on by 14 Korean firms was opening here today.

ST VINCENT

HEALTH MINISTER RANDOLPH RUSSELL RESIGNS

FL251551 Bridgetown CANA in English 1549 GMT 25 May 81

[Text] Kingstown, St Vincent, 25 May (CANA)--St Vincent's Health Minister Randolph Russell has submitted his resignation to the government, he confirmed today.

DOMINICAN REPUBLIC

WEST GERMANY TO STEP UP ECONOMIC COOPERATION

FL211423 Mexico City NOTIMEX in Spanish 1320 GMT 21 May 81

[Text] Bonn, 21 May (NOTIMEX)--The Federal Republic of Germany and the Dominican Republic will increase economic cooperation. This is the result of talks held in Bonn by Ramon Martinez Aponte, Dominican technical secretary of the Presidency; and Alwin Brueck, parlamentary under secretary in the German Ministry of Economic Cooperation.

At the conclusion of the talks, Brueck stated that one of the reasons why Bonn wanted to increase cooperation with the Dominican Republic is the type of democratic government governing that Caribbean country. Last year, the FRG granted financial aid to the Dominican Republic amounting to DM10.4 million (about $9 million). This year's aid will be set in talks to be held soon.

This afternoon, Martinez Aponte will meet with Klaus von Dohnanyi, minister of state in the FRG Foreign Ministry, to discuss matters related to the general situation in Central America and the Caribbean region as well as bilateral affairs.

The main objective of the visit of the Dominican minister to Bonn is to set in motion the agreements on a closer economic cooperation which were finalized during Chancellor Helmut Schmidt's visit to the Dominican Republic 2 years ago. These agreements deal with financing of infrastructure projects and hydroelectric power plants in the Dominican Republic.

SURINAME

KOREAN BUSINESSMEN WILLING TO INVEST IN COUNTRY

FL291129 Bridgetown CANA in English 1114 GMT 29 May 81

[Text] Paramaribo, Suriname, 29 May (CANA)--The Republic of Korea (South) has expressed willingness to invest in Suriname's industrial and agricultural development, provided the climate is appropriate, says Mr Chong Chon-du, who headed an 8-man trade mission here this week. His country was prepared to consider entering into joint ventures with the Suriname Government, depending on the investment climate. South Korea was also prepared to purchase bauxite, silica, timber and rice. He said Korea would be prepared to establish factories in Suriname to manufacturer products for export to the Caribbean and Latin American markets.

Mr Chong held discussions with President Henk Chin A Sen and the minister of economic development, Mr L. Fong Poen, who explained the government's investment policy. Mr Chong is executive director of the Korean Trade Promotion Center in New York. On display during the 2-day exhibition was a wide range of consumer durables, textile, artifical jewelry, furniture and a number of other products.

Korean Ambassador to Suriname Mr Yi Mun-su told CANA that the mission was strictly a private commercial one. He hopes to have it followed up by a government one. Mr Yi said there was keen interest in the exhibition, and local businessmen expressed a desire for more information on trading possibilities with his country. According to Mr Yi, once the Suriname investment climate was correct, his country would be prepared to take part in its development.